



# राजपत्र, हिमाचल प्रदेश

हिमाचल प्रदेश राज्यशासन द्वारा प्रकाशित

खण्ड 21-

शिमला, शनिवार, 24 फरवरी, 1973/5 फाल्गुन, 1894

[ संख्या 8 ]

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24 फरवरी, 3/5 फाल्गुन, 1894 को समाप्त होने वाले सप्ताह में निम्नलिखित विज्ञप्तियां 'सामाधारण राजपत्र, हिमाचल प्रदेश' में प्रकाशित हुईं:—

नं०	दि०	विभाग का नाम	विषय
No. 11-3/7	5th/	Excise and Taxation Department	Certain directions by the Minister-in-charge for the disposal of cases and matters relating to the department.
7th Febr	22nd Febru-	Election Department	The Himachal Pradesh Gram Panchayat (Election) (1st Amendment) Rules, 1973.
No. 7-5/7	22nd Febru-	Law Department	The Himachal Pradesh (Transferred Territory) Tenants (Protection of Rights) (Amendment) Act, 1972 (Act No. 2 of 1973).
ary, 197			
No. 5-34/7			
ary, 1973.			

## भाग 1—वैधानिक नियमों को छोड़ कर हिमाचल प्रदेश के राज्यपाल और हिमाचल प्रदेश हाई कोर्ट द्वारा असूचनाएं इत्यादि

### हिमाचल प्रदेश सरकार PERSONNEL (A) DEPARTMENT NOTIFICATION

*Simla-2, the 8th February, 1973*

No. 3-44 70-Appit.—The Governor, Himachal Pradesh is pleased to accord sanction to the grant of 41 days earned leave with effect from 19th February, 1973 to 31st March, 1973, with permission to prefix and suffix holidays falling on the 17th, 18th February, and 1st April, 1973 respectively, in favour of Miss Rajendar Chaudhary, IAS (HP), Commissioner for Departmental Enquiries, Himachal Pradesh.

2. Certified that Miss Rajendar Chaudhary would have continued to hold the charge of the office of the Commissioner for Departmental Enquiries, Himachal Pradesh, but for her proceeding on leave.

3. Certified that Miss Rajendar Chaudhary is likely to return to duty to the station from where she proceeds on leave.

4. The Governor, is further pleased to order that during the absence of Miss Rajendar Chaudhary on leave, Joint Secretary, (Home) to the Government of Himachal Pradesh, shall look after both the duties of Director of Vigilance and Commissioner for Departmental Enquiries, Himachal Pradesh, in addition to his own duties.

A. K. GOSWAMI,

*Joint Secretary.*

### AGRICULTURE AND HORTICULTURE DEPARTMENT NOTIFICATION

*Simla-2, the 7th February, 1973*

No. 22-3 71-Hort. (Sect.).—The Governor, Himachal Pradesh is pleased to order that the Scheme on the Research on Sub-Tropical Fruits, since terminated by the Indian Council of Agricultural Research on the recommendations of the Scientific Panel of the Council with effect from 25th February, 1971, and bring run under the State Sector shall be administered by the Department of Horticulture instead of Department of Agriculture with immediate effect.

GANGESH MISRA,  
*Secretary.*

### HEALTH AND FAMILY PLANNING DEPARTMENT NOTIFICATION

*Simla-2, the 2nd February, 1973*

No. 1-106/71-H&FP.—Consequent upon his selection for Short Service Commission in the Army Medical Corps, Dr. Harish Chandra Narang, CAS-Grade-I, Medical Officer, Civil Hospital, Mandi relinquished charge on 1st August, 1972 (A.N.).

A. D. DHAN A,  
*Under Secretary.*

### INDUSTRIES DEPARTMENT NOTIFICATION

*Simla-2, the 6th February, 1973*

No. 10-61/71-SI.—In Supersession of all the previous notifications issued in this behalf and in pursuance of the provisions contained in section 9 of the Himachal

Pradesh Shops and Commercial Establishments Act, 1969 (Act No. 10 of 1970), the Governor of Himachal Pradesh is pleased to fix the following opening and closing hours for Shops and Commercial Establishments in Himachal Pradesh covered under the said Act with effect from the date of issue of this notification till further orders :—

	Opening hours	Closing hours
Within the limits of Simla Municipal Corporation	9 A.M.	7 00 P.M.
Through out Himachal Pradesh except the limits of Simla Municipal Corporation.	9 A.M.	7 30 P.M.

By order,  
P. K. MATTOO,  
*Secretary.*

### PUBLIC WORKS DEPARTMENT NOTIFICATION

*Simla-2, the 7th February, 1973*

No. 8-76/72-DP-Appit. (PW).—In exercise of the powers conferred upon him under sub-section (1) of section 48 of the Land Acquisition Act, 1894, the Governor, Himachal Pradesh is pleased to withdraw from the proceedings launched for the acquisition of 6290 sq. yards and 4 sq. ft. land in Station Ward Chhota Simla premises known as "Dimple Lodge" which was notified under sections 6 and 7 of the said Act for the public purpose namely, for housing the Himachal Pradesh Institute of Public Administration, vide this department notification of even number dated the 15th November, 1972.

By order,  
H. S. DUBEY,  
*Secretary.*

### REVENUE DEPARTMENT NOTIFICATION

*Simla-2, the 15th February, 1973*

No. 4-11/72-Rev. Cell.—In exercise of powers conferred upon him under sub-section (1) of section 48 of the Land Acquisition Act, 1894, the Governor, Himachal Pradesh is pleased to withdraw from the proceedings initiated for the acquisition of land in village Ropa, Tehsil Sundernagar, District Mandi, as detailed below:—

Khasra Nos.	Area	No. of notification U/S 4	No. of notification U/S/6
1	2	3	4
525/110, 64, 103/2, 524/110, 50, 51, 52, 112/2, 113/2, 61, 62, 111, 107 65, 67/2, 106/2, 672/49, 678/57 66/2, 564/99, 108, 63-min, 54, 58, 662/36, 109, 55, 105/2, 59, 551/43min, 41min, 39, 551/43 min, 552/43, 44, 41 min, 546/37,	63-11-0 Bighas.	No. 4-40/61-Rev. 11, dated 30-4-64.	No. 4-40/61 Rev. 1, dated 31-12-64.



भाग १८--वैधानिक नियमों को छोड़ कर विभिन्न विभागों के अध्यक्षों और जिला मैजिस्ट्रेटों द्वारा अधिसूचनाएं  
इत्यादि

Sd/-  
Chief Engineer (N).  
H.P.P.W.D. Simla-1

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4. *Definition of quality.*—The quality of saffron indicated by the respective grade designations shall be as set out against each grade designation in column 3 to 6 of Schedule I.

5. *Grade designation marks.*—The grade designation mark shall consist of either:—

- (i) a design incorporating the number of the Certificate of authorisation, the word 'Agmark' and the grade approved by the Agricultural Marketing Adviser, or
- (ii) a label specifying the grade approved by the Agricultural Marketing Adviser and bearing the design (consisting of an outline map of India with the word 'Agmark' and the figure of the rising sun with the words "Produce of India" and

("भारतीय उत्पादन") resembling the one as set out in Schedule II.

6. *Method of marking.*—(1) The grade designation mark shall be securely affixed to or printed on each container in a manner approved by the Agricultural Marketing Adviser.

(2) In addition to the above, the following particulars shall also be clearly and indelibly marked on each container, namely:—

- (a) Date of packing in code or plain letters;
- (b) crop year; and
- (c) net weight.

(3) An authorised packer may, after obtaining the prior approval of the Agricultural Marketing Adviser, mark his private trade mark on a container, in a manner

approved by the said officer, provided that the private trade mark does not represent a quality or grade of saffron different from that indicated by the grade designation mark affixed to the container in accordance with these rules.

7. *Method of packing.*—(1) Saffron shall be packed in only new and clean tins, glass or plastic containers, polythene-bags, or any other suitable container.

(2) The container shall be securely closed and sealed in a manner approved by the Agricultural Marketing Adviser.

(3) Each container shall contain saffron of one grade designation only.

8. *Special conditions of authorisation.*—In addition to the conditions specified in rule 4 of the General Grading and Marking Rules, 1937, the following special conditions shall be observed by packers to the satisfaction of Agricultural Marketing Adviser, namely:—

- (1) An authorised packer shall make such arrangements for testing saffron as the Agricultural Marketing Adviser may specify by general or special order from time to time.
- (2) An authorised packer shall provide such facilities to the Inspecting Officers duly authorised by the Agricultural Marketing Adviser in this behalf as may be necessary for them to discharge their duties under these rules.

#### SCHEDULE I (See rules 3 and 4)

##### Grade designations and definitions of quality of saffron produced in India

Sl. No.	Grade designations	Colour	Special characteristics				
			Floral waste content, per cent, maximum	Foreign matter, per cent, maximum	Matter volatile at 103°C. % by weight maximum	Total ash per cent by weight maximum	Ash insol Hel per cent by weight maximum
1	2	3	4	5	6	7	8
1.	Special	Deep red	5	0.5	14	9.0*	1.5*
2.	Standard	Light redish to bright red	15	1.0			
	General Characteristics				Aqueous extract per cent by weight maximum	Total Nitrogen % by weight, maximum	
	-do-				55.0*	2*	

(11)

Saffron shall—

- (a) be the dried full, cut or broken stigmas of the plant botanically known as *Crocus sativus*, Linnaeus;
- (b) have the characteristic strong, aromatic, pleasant and slightly iodinated smell with bitter and slightly pungent taste and be free from any foreign taste or smell, specially the musty smell or taste;
- (c) be free from living insects, and moulds, and shall be practically free from dead insects, insect fragments and rodent contamination visible to the naked eye (corrected if necessary for abnormal vision) with such magnification as may be necessary in any particular case; and
- (d) not contain any added foreign colouring matter.

Definitions.— 1. *Floral waste*:—Yellow filaments, pollens, stamens, part of every and other parts of the flower of *Crocus sativus*, Linnaeus.

2. *Foreign matter*:—Sand, earth, dust, leaf, stem, chaff and other vegetable matter.

Note.—\*On dry basis, i.e., moisture and volatile matter free basis as calculated from column 6. Sulphuric acid diphenyl amine test shall be +ive. Floral waste content shall be determined by standard method.

**SCHEDULE II**  
(See rule 5)

Design for the grade designation mark.

**MAP OF INDIA**

**Note.**—The Tamil and Telugu words will not occur in the labels in case when commodities are graded for the purpose of export.

T.D. MAKHIJANI,

*Under Secretary to the Government of India.*

**LAW DEPARTMENT  
NOTIFICATION**

*Simla-4, the 20th May, 1963*

**No. J-18/62-LR.**—The following Act recently passed by the Parliament of India and published in the Gazette of India, Extraordinary part II, section I, dated 27th and 29th April, 1963 is hereby republished in the Himachal Pradesh Administration Rajpatra for the information of general public:—

The Finance Act, 1963 (No. 13 of 1963).

S. R. MAHANTAN,  
*Under Secretary (Judicial).*

*Assented to on 11-5-1965.*

**THE FINANCE ACT, 1965**

(ACT No. 10 OF 1965)

AN  
ACT

*to give effect to the financial proposals of the Central Government for the financial year 1965-66.*

BE it enacted by Parliament in the Sixteenth Year of the Republic of India as follows:—

1. **Short title and commencement.**—(1) This Act may be called the Finance Act, 1965.

(2) Save as otherwise provided in this Act, section 3 to 67 and 69 to 74 shall be deemed to have come into force on the 1st day of April, 1965, and section 68 shall be deemed to have come into force on the 1st day of March, 1965.

2. **Income-tax.**—(1) Subject to the provisions of sub-sections (2), (3), (4) and (5), for the assessment year commencing on the 1st day of April, 1965, income-tax shall be charged at the rates specified in Part I of the First Schedule and, in the cases to which paragraphs A, B, C and D of that Part apply, shall be increased by a surcharge for purposes of the Union calculated in either case in the manner provided therein.

(2) In making any assessment for the assessment year commencing on the 1st day of April 1965, where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries", the income-tax payable by the assessee on that part of his total income which consists of such inclusion shall be an amount bearing to the total amount of income-tax and super-tax payable according to the rates applicable under the operation of the Finance Act, 1964 (5 of 1964), on his total income the same proportion as the amount of such inclusion bears to his total income.

(3) In making any assessment for the assessment year commencing on the 1st day of April, 1965, where the total income of a company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956), includes any profits and gains from life insurance business, the income-tax payable by it shall be the aggregate of the income-tax calculated—

(i) on the amount of profits and gains from life insurance business so included, at the rate applicable to the Life Insurance Corporation of India in accordance with Paragraph E of Part I of the First Schedule; and

(ii) on the remaining part of its total income, at the rate applicable to the company on its total income.

(4) In cases to which Chapter XII of the Income-tax Act, 1961 (43 of 1961), (hereinafter referred to as, the Income-tax Act) applies, the tax chargeable shall be determined as provided in that Chapter and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter, as the case may be.

(5) (a) In respect of any assessment for the assessment year commencing on the 1st day of April, 1965—

(i) an assessee being an Indian company or any other company which has made the prescribed arrangements for the declaration and payment of dividends within India or an assessee (other than a company) whose total income includes any profits and gains derived from the export of any goods or merchandise out of India, shall be entitled to a deduction, from the amount of income-tax with which he is chargeable, of an amount equal to the income-tax calculated at one tenth of the average rate of income-tax on the amount of such profits and gains included in the total income;

(ii) where an assessee of the type referred to in sub-clause (i) engaged in the manufacture of any articles in an industry specified in the first Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951), has during the previous year exported such articles out of India, he shall be entitled, in addition to the deduction of income-tax referred to in sub-clause (i) to a further deduction, from the amount of income-tax with which he is chargeable for the assessment year, of an amount equal to the income-tax calculated at the average rate of income-tax on an amount equal to two per cent of the sale proceeds receivable by him in respect of such export;

(iii) where an assessee of the type referred to in sub-clause (i) engaged in the manufacture of any articles in the industry specified in the said First Schedule has, during the previous year, sold such articles to any other person in India who himself has exported them out of India and evidence is produced before the Income-tax Officer of such articles having been so exported, the assessee shall be entitled to a deduction, from the amount of income-tax with which he is chargeable for the assessment year, of an amount equal to the income-tax calculated at the average rate of income-tax on a sum equal to two per cent of the sale proceeds receivable by him in respect of such articles from the exporter.

(b) The total of the deductions under this sub-section shall in no case exceed the amount of income-tax otherwise payable by the assessee.

(c) Nothing contained in sub-clause (ii) and sub-clause (iii) of clause (a) shall apply,—

(i) in relation to—

- (1) fuels,
- (2) fertilisers,
- (3) photographic raw film and paper,
- (4) textiles (including those dyed, printed or otherwise processed made wholly or in part of jute, including jute twine and rope,
- (5) newsprint,

- (6) pulp—wood pulp, mechanical, chemical, including dissolving pulp,
- (7) sugar,
- (8) vegetable oils and vanaspathi,
- (9) cement and gypsum products,
- (10) arms and ammunition, and
- (11) cigaettes.

respectively specified in items 2, 18, 20, 23(2), 24(2) 24(5), 25, 28, 35, 37 and 38 of the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951); or

- (ii) in relation to textiles specified in items 23(1), 23(3), 23(4) and 23(5) of that Schedule where such textiles have been exported before the 1st day of March, 1964.

(d) The amount of any profits and gains derived from the export of any goods or merchandise out of India in respect of which deduction of income-tax is admissible under sub-clause (i) of clause (a) shall be computed in accordance with the rules made by the Central Board of Direct Taxes in this behalf.

(6) In cases in which tax has to be deducted under sections 193 to 195 of the Income-tax Act at the rates in force, the deduction shall be made at the rates specified in Part II of the First Schedule.

(7) For the purposes of this section, and of the rates of income-tax imposed thereby, and of section 3—

- (i) the expressions "assessment year", "average rate of income-tax", "non-resident", "partner", and "total income" have, unless the context otherwise requires, the meanings respectively assigned to them under clauses (9), (10), (30), (23) and (45) of section 2 of the Income-tax Act;

- (ii) the expression "earned income" means any income of an assessee who is an individual, Hindu undivided family, unregistered firm or other association of persons or body of individuals, whether incorporated or not, not being a company, a local authority, a registered firm or a firm assessed under clause (b) of section 183 of the said Act—

(a) which is chargeable under the head "Salaries"; or

(b) which is chargeable under the head "Profits and gains of business or profession" where the business or profession is carried on by the assessee or, in the case of a firm, where the assessee is a partner actively engaged in the conduct of the business or profession; or

- (c) which is chargeable under the head "Income from other sources" if it is immediately derived from personal exertion or represents a pension or superannuation or other allowance given to the assessee in respect of the past services of any deceased person, or which is chargeable under that head under clause (ia) of sub-section (2) of section 56 of the Income-tax Act; and

includes any such income which, though it is the income of another person, is included in the assessee's income under the provisions of the Income-tax Act, but does not include any such income on which income-tax is not payable under clause (iii) or clause (v) of section 86 of that Act or which is exempted from tax under a notification issued under section 60 of the Indian Income-tax Act, 1922 (11 of 1922), as continued in force by clause (f) of sub-section (2) of section 297 of the Income-tax Act;

- (iii) the expression "unearned income" means income which is not "earned income".

3. *Annuity deposit.*—(1) Save as otherwise provided in Chapter XXIIA of the Income-tax Act, annuity deposit for the assessment year commencing on the 1st day of

April, 1965 shall be made by every person to whom the provisions of that Chapter apply at the rates specified in the Second Schedule.

(2) For the purposes of this section and the Second Schedule, the expressions "adjusted total income", "annuity deposit" and "depositor" have the meanings respectively assigned to them under clauses (1), (5) and (6) of section 280B of the Income-tax Act.

4. *Amendment of section 2.*—In section 2 of the Income-tax Act,—

- (i) in clause (7), for the words "income-tax or super-tax", the words "any tax" shall be substituted;

- (ii) clause (11) shall be omitted;

- (iii) in clause (18),—

- (i) in sub-clause (b) (i), for the words and brackets "held by, the Government or a corporation established by a Central, State or Provincial Act or the public (not being a director, or a company to which this clause does not apply)", the following shall be substituted, namely:—  
"held by—

(a) the Government, or

(b) a corporation established by a Central, State or Provincial Act, or

(c) any company to which this clause applies or any subsidiary company of such company where such subsidiary company fulfils the conditions laid down in clause (b) of section 108 (hereinafter in this clause referred to as the subsidiary company), or

(d) the public (not being a director, or a company to which this clause does not apply);

- (ii) in clause (i) of *Explanation 1*, after the word "applies", the words "or the subsidiary company of such company" shall be inserted;

- (iv) in clause (22), after sub-clause (i) the following sub-clause shall be inserted, namely:—

"(ia) a distribution made in accordance with sub-clause (c) or sub-clause (d) in so far as such distribution is attributable to the capitalised profits of the company representing bonus shares allotted to its equity shareholders after the 31st day of March, 1964";

- (v) in clause (30), the figures "113" shall be omitted;

- (vi) for clause (43), the following clause shall be substituted, namely:—

"(43) "tax" in relation to the assessment year commencing on the 1st day of April, 1965 and any subsequent assessment year means income-tax chargeable under the provisions of this Act, and in relation to any other assessment year income-tax and super-tax chargeable under the provisions of this Act prior to the aforesaid date;

(43A) "tax credit certificate" means a tax credit certificate granted to any person in accordance with the provisions of Chapter XXII B and any scheme made thereunder;";

- (vii) clause (46) shall be omitted.

5. *Amendment of section 8.*—In section 8 of the income-tax Act,—

- (f) for the words "For the purposes of inclusion in the total income of an assessee, any dividend", the words, brackets and letter "For the purposes of inclusion in the total income of an assessee,—

- (a) 'any dividend' shall be substituted;
- (ii) the following clause shall be inserted at the end, namely:—
- “(b) any interim dividend shall be deemed to be the income of the previous year in which the amount of such dividend is unconditionally made available by the company to the member who is entitled to it.”

6. *Amendment of section 10.*—In section 10 of the Income-tax Act,—

- (i) after clause (4), the following clause shall be inserted, namely:—

“(4A) in the case of a non-resident, any income from interest on moneys standing to his credit in a non-resident account in any bank in India in accordance with the Foreign Exchange Regulation Act, 1947 (7 of 1947), and any rules made thereunder;”

- (ii) in sub-clause (vii) (a) of clause (6),—

(a) after the words “such person continues”, the words, figure and letters “with the approval of the Central Government obtained before the 1st day of October of the relevant assessment year” shall be inserted;

(b) for the words “Twenty-four months”, the words “sixty months” shall be substituted;

- (iii) for clause (13), the following clause shall be substituted and shall be deemed always to have been substituted, namely:—

“(13) any payment from an approved superannuation fund made—

(i) on the death of a beneficiary ; or

(ii) to an employee in lieu of or in commutation of an annuity on his retirement at or after a specified age or on his becoming incapacitated prior to such retirement; or

(iii) by way of refund of contributions on the death of a beneficiary; or

(iv) by way of refund of contributions to an employee on his leaving the service in connection with which the fund is established otherwise than by retirement at or after a specified age or on his becoming incapacitated prior to such retirement, to the extent to which such payment does not exceed the contributions made prior to the commencement of this Act and any interest thereon;”

- (iv) after clause (27), the following clause shall be inserted, namely:—

“(28) in the case of any person granted a tax credit certificate, any amount adjusted or paid to him in respect of such certificate under the provisions of Chapter XXII B and any scheme made thereunder.”

7. *Amendment of section 18.*—In section 18 of the Income tax Act, in clause (i) of sub-section (1), after the word “Government”, the words, figures and letters “not being interest payable under section 280D in respect of any annuity deposit made under Chapter XXIIA” shall be inserted.

8. *Amendment of section 33.*—In section 33 of income-tax Act,—

- (i) in sub-section (1), for clause (iii), the following clause shall be substituted, namely:—

“(iii) in the case of machinery or plant installed after the 31st day of March, 1961—

(a) where the machinery or is installed after the 31st day of March, 1963 and before the 1st day of April, 1966 for the purposes of business of mining coal, thirty-five per cent of the actual cost of the machinery or plant to the assessee,

(b) where the machinery or plant is installed before the 1st day of April, 1965 for the purposes of any other business, twenty per cent,

(c) where the machinery or plant is installed after the 31st day of March, 1965—

(A) for the purposes of business of construction, manufacture or production of any one or more of the articles or things specified in the list in the Fifth Schedule, twenty-five per cent of the actual cost of the machinery or plant to the assessee, and

(B) for the purposes of any other business,—

(a) twenty per cent of the actual cost of the machinery or plant to the assessee, where it is installed before the 1st day of April, 1967; and

(b) fifteen per cent of such cost, in any other case;”

- (ii) in sub-section (2), for the words, brackets, figures and letter “any allowance under sub-section (1) or sub-section (1A)”, wherever they occur, the words, brackets, figures and letters “any allowance under sub-section (1) or sub-section (1A) of this section or sub-section (1) of section 33A” shall be substituted;

- (iii) after sub-section (5), the following sub-section shall be inserted, namely:—

“(6) Notwithstanding anything contained in the foregoing provisions of this section, no deduction by way of development rebate shall be allowed in respect of any machinery or plant installed after the 31st day of March, 1965 in any office premises or any residential accommodation, including any accommodation in the nature of a guest house.”

9. *Insertion of new section 33A.*—After section 33 of the Income-tax Act, the following section shall be inserted, namely:—

“33A. *Development allowance.*—(1) In respect of planting of tea bushes on any land in India owned by an assessee who carries on business of growing and manufacturing tea in India a sum by way of development allowance equivalent to—

(i) where tea bushes have been planted on any land not planted at any time with tea bushes or on any land which had been previously abandoned, forty per cent of the actual cost of planting; and

(ii) where tea bushes are planted in replacement of tea bushes that have died or have become permanently useless on any land already planted, twenty per cent of the actual cost of planting,

shall, subject to the provisions of this section, be allowed as a deduction in respect of the third succeeding previous year next following the previous year in which the land is prepared for planting or replanting, as the case may be:

Provided that no deduction under clause (i) shall be allowed unless the planting has commenced after the 31st



day of March, 1965, and no deduction shall be allowed under clause (ii) unless the planting has commenced after the 31st day of March, 1965, and been completed before the 1st day of April, 1970.

(2) Where the total income of the assessee assessable for the assessment year relevant to the third succeeding previous year next following the previous year in which the land has been prepared [the total income for this purpose being computed after making the allowance under sub-section (1) or sub-section (1A) or clause (ii) of sub-section (2) of section 33 but without making any allowance under sub-section (1) of this section] is nil or is less than the full amount of the development allowance calculated at the rates specified in sub-section (1) —

- (i) the sum to be allowed by way of development allowance for that assessment year under sub-section (1) shall be only such amount as is sufficient to reduce the said total income to nil; and
- (ii) the amount of the development allowance, to the extent to which it has not been allowed as aforesaid, shall be carried forward to the following assessment year, and the development allowance to be allowed for the following assessment year shall be such amount as is sufficient to reduce the total income of the assessee assessable for that assessment year, computed in the manner aforesaid, to nil, and the balance of the development allowance, if any, still outstanding shall be carried forward to the following assessment year and so on, so however, that no portion of the development allowance shall be carried forward for more than eight assessment years immediately succeeding the assessment year in which the deduction was first allowable.

**Explanation.** — Where for any assessment year development allowance is to be allowed in accordance with the provisions of sub-section (2) in respect of more than one previous year, and the total income of the assessee assessable for that assessment year [the total income for this purpose being computed after making the allowance under sub-section (1) or sub-section (1A) or clause (ii) of sub-section (2) of section 33 but without making any allowance under sub-section (1) of this section] is less than the amount of the development allowance due to be made in respect of that assessment year, the following procedure shall be followed, namely:

- (i) the allowance under clause (ii) of sub-section (2) of this section shall be made before any allowance under clause (i) of that sub-section is made; and
- (ii) where an allowance has to be made under clause (ii) of sub-section (2) of this section in respect of amounts carried forward from more than one assessment year, the amount carried forward from an earlier assessment year shall be allowed before any amount carried forward from a later assessment year.

(3) The deduction under sub-section (1) shall be allowed only if the following conditions are fulfilled, namely:

- (i) the particulars prescribed in this behalf have been furnished by the assessee;
- (ii) an amount equal to seventy-five per cent of the development allowance to be actually allowed is debited to the profit and loss account of the relevant previous year and credited to a reserve account to be utilised by the assessee during a period of eight years next following for the purposes

of the business of the undertaking, other than —  
(a) for distribution by way of dividends or profits; or

(b) for remittance outside India as profits or for the creation of any asset outside India; and

(iii) such other conditions as may be prescribed.

(4) If any such land is sold or otherwise transferred by the assessee to any person at any time before the expiry of eight years from the end of the previous year in which the deduction under sub-section (1) was allowed, any allowance under this section shall be deemed to have been wrongly made for the purposes of this Act, and the provisions of sub-section (5A) of section 155 shall apply accordingly:

Provided that this sub-section shall not apply —

- (i) where the land is sold or otherwise transferred by the assessee to the Government, a local authority, a corporation established by a Central, State or Provincial Act or a Government company as defined in section 617 of the Companies Act, 1956 (1 of 1956); or
- (ii) where the sale or transfer of the land is made in connection with the amalgamation or succession referred to in sub-section (5) or sub-section (6).

(5) Where in a scheme of amalgamation, a company (hereinafter in this sub-section referred to as the predecessor) sells or otherwise transfers to the company formed in pursuance of the predecessor's amalgamation with that company (hereinafter in this sub-section referred to as the successor) any land in respect of which development allowance has been allowed to the predecessor under sub-section (1), —

- (a) the successor shall continue to fulfil the conditions mentioned in sub-section (3) in respect of the reserve created by the predecessor and respect of the period within which such land shall not be sold or otherwise transferred and in default of any of these conditions, the provisions of sub-section (5A) of section 155 shall apply to the successor as they would have applied to the predecessor had it committed the default;
- (b) the balance of development allowance, if any, still outstanding to the predecessor in respect of such land shall be allowed to the successor in accordance with the provisions of sub-section (2), so however, that the total period for which the balance of development allowance shall be carried forward in the assessments of the predecessor and the successor shall not exceed the period of eight years specified in sub-section (2) and the successor shall be treated as the assessee in respect of such land for the purposes of this section.

**Explanation.** — For the purposes of this sub-section, "amalgamation" shall have the meaning assigned to it in the *Explanation* to sub-section (3) of section 33.

(6) Where a firm is succeeded to by a company in the business carried on by it as a result of which the firm sells or otherwise transfers to the company any land on which development allowance has been allowed, the provisions of clauses (a) and (b) of sub-section (5) shall so far as may be, apply to the firm and the company.

**Explanation.** — The provisions of this sub-section shall apply if the conditions laid down in the *Explanation* to sub-section (4) of section 33 are fulfilled.

(7) For the purposes of this section, actual cost of "planting" means the aggregate of —

- (i) the cost of preparing the land;

- (ii) the cost of seeds, cutting and nurseries;
- (iii) the cost of planting and replanting; and

(iv) the cost of up-keep thereof for the previous year in which the land has been prepared and the three successive previous years next following such previous year,

reduced by that portion of the cost, if any, as has been met directly or indirectly by any other person or authority:

Provided that where such cost exceeds twelve thousand five hundred rupees per hectare in respect of land situate in a hilly area or exceeds ten thousand rupees per hectare in any other area, then the excess shall be ignored.

(8) The Board may, having regard to the elevation and topography, by general or special order, declare any areas to be hilly areas for the purposes of this section and such order shall not be questioned before any court of law or any other authority.

10. *Amendment of section 34.*—In section 34 of the Income-tax Act, in the *Explanation* to clause (i) of sub-section (2), for the words, brackets and figures "is transferred by a company to a subsidiary company, then, if the conditions of clause (iv) of section 47 are satisfied," the following shall be substituted, namely:—

"is transferred by a holding company to its subsidiary company or by a subsidiary company to its holding company, then, if the conditions of clause (iv) or, as the case may be, of clause (v) of section 47 are satisfied".

11. *Amendment of section 36.*—In section 36 of the Income-tax Act, in sub-section (1), after clause (viii), the following clause shall be inserted, namely:—

"(ix) any expenditure *bona fide* incurred by a company for the purpose of promoting family planning amongst its employees:

Provided that where such expenditure or any part thereof is of a capital nature, one-fifth of such expenditure shall be deducted for the previous year in which it was incurred; and the balance thereof shall be deducted in equal instalments for each of the four immediately succeeding previous years:

Provided further that the provisions of sub-section (2) of section 32 and of sub-section (2) of section 72 shall apply in relation to deductions allowable under this clause as they apply in relation to deductions allowable in respect of depreciation:

Provided further that the provisions of clauses (ii), (iii), (iv) and (v) of sub-section (2) of section 35, of sub-section (3) of section 41 and of *Explanation 1* to clause (1) of section 43 shall, so far as may be, apply in relation to an asset representing expenditure of a capital nature for the purposes of promoting family planning as they apply in relation to an asset representing expenditure of a capital nature of scientific research."

12. *Amendment of section 37.*—In section 37 of the Income-tax Act, in clause (i) of sub-section (2), after the word and figures "section 33", the words, figures and letter "or section 33A" shall be inserted.

13. *Amendment of section 40.*—In section 40 of the Income-tax Act, in sub-clause (iii) of clause (c), —

(a) in the proviso—

(i) after the words, brackets and figure "in sub-clause (i)", the words, brackets and figures "or any payment of tax referred to in sub-clause (vii)" shall be inserted;

(ii) after the words, brackets and figures "clause (iv) or clause (v)", the words, brackets and figures "or any expenditure referred to in clause (ix)" shall be inserted;

(b) after the proviso, the following proviso shall be inserted, namely:—

"Provided further nothing that in this sub-clause shall apply to any expenditure which results directly or indirectly in the provision of any benefit or amenity or perquisite to an employee whose income chargeable under the head "Salaries" is seven thousand five hundred rupees or less."

14. *Amendment of section 43.*—In section 43 of the Income-tax Act,—

(a) for *Explanation 6* to clause (1), the following *Explanation* shall be substituted, namely:—

"*Explanation 6.*—When any capital asset is transferred by a holding company to its subsidiary company or by a subsidiary company to its holding company, then, if the conditions of clause (iv) or, as the case may be, of clause (v) of section 47 are satisfied, the actual cost of the transferred capital asset to the transferee company shall be taken to be the same as it would have been if the transferor company had continued to hold the capital asset for the purposes of its business."

(b) for *Explanation 2* to clause (6), the following *Explanation* shall be substituted, namely:—

"*Explanation 2.*—When any capital asset is transferred by a holding company to its subsidiary company or by a subsidiary company to its holding company, then, if the conditions of clause (iv) or, as the case may be, of clause (v) of section 47 are satisfied, the written down value of the transferred capital asset to the transferee company shall be taken to be the same as it would have been if the transferor company had continued to hold the capital asset for the purposes of its business."

15. *Amendment of section 47.*—In section 47 of the Income-tax Act, after clause (iv), the following clause shall be inserted, namely:—

"(v) any transfer of a capital asset by a subsidiary company to the holding company if—

(a) the whole of the share capital of the subsidiary company is held by the holding company, and

(b) the holding company is an Indian company."

16. *Amendment of section 49.*—In section 49 of the Income-tax Act,—

(i) in sub-clause (e) of clause (iii), after the word, brackets and figures "clause (iv)", the words, brackets and figures "or clause (v)" shall be inserted;

(ii) at the end the following *explanation* shall be added, namely:—

"*Explanation.*—In this section the expression "Previous owner of the property" in relation to any capital asset owner by an assessee means the last previous owner of the capital asset who acquired it by a mode of acquisition other than that referred to in clause (i) or clause (ii) or clause (iii) of this section."



17. *Insertion of new section 54A.*—After section 54 of the Income-tax Act, the following section shall be inserted, namely:—

‘54A. *Relief of tax on capital gains in certain cases.*—(1)

Where in the case of an assessee, being an individual who is not a citizen of India or being a company which is not an Indian company, a capital gain arises from the transfer of a capital asset, being shares in an Indian company, and the assessee has, within a period of two years from the date of such transfer, re-invested the full value of the consideration or any part thereof received or accruing as a result of such transfer in an investment approved by the Central Government in this behalf (hereinafter in this section referred to as the approved investment), the assessee shall, subject to the provisions of sub-section (3), be entitled to a credit of a sum calculated in accordance with the provisions of sub-section (2).

(2) The amount to be given as credit under sub-section (1) shall be a sum which bears to the amount of income-tax payable by the assessee on the income chargeable under the head “Capital gains” arising from the transfer referred to in sub-section (1) the same proportion as the amount invested in the approved investment as reduced by the cost of acquisition [as determined for the purposes of clause (ii) of section 48] of the transferred shares bears to the capital gains arising from such transfer.

(3) The amount of credit so calculated shall be given in the following manner, namely:

- (a) if the approved investment is made by the assessee within the period of two years aforesaid and before the completion of the assessment in respect of the year in which the income arising from such transfer is chargeable to tax, the amount of the credit shall, on the assessee making a claim in this behalf in the prescribed form and in the prescribed manner, be adjusted against the tax payable by the assessee in respect of that assessment year, and
- (b) if the approved investment is made by the assessee within the period of two years aforesaid but after the assessment for the relevant year is made, the amount of the credit shall, on the assessee making a claim in the prescribed form and in the prescribed manner, be deemed to be, and due to the assessee under Chapter XIX and all the provisions of this Act shall apply accordingly.

18. *Amendment of section 56.*—In section 56 of the Income-tax Act, in sub-section (2), after clause (i), the following clause shall be inserted, namely:—

“(ii) income referred to in sub-clause (viii) of clause (24) of section 2.”

19. *Insertion of new section 69B.*—After section 69A of the Income-tax Act, the following section shall be inserted under the sub-heading “Aggregation of Income”, namely:—

‘69B. *Amount of investments etc., not fully disclosed in books of account.*—Where in any financial year the assessee has made investment or is found to be the owner of any bullion, jewellery or other valuable article and the Income-tax Officer finds that the amount expended in making such investments or in acquiring such bullion, jewellery or other valuable article exceeds the amount recorded in this behalf in the books of account maintained by the assessee for any source of income, and the assessee offers no explanation about such excess amount or the explanation offered by him is not, in the

opinion of the Income-tax Officer, satisfactory, the excess amount may be deemed to be the income of the assessee for such financial year.”

20. *Insertion of new Chapter VI A.*—After section 80 of the Income-tax Act, the following Chapter and sections shall be inserted, namely:—

## CHAPTER VIA

### DEDUCTIONS TO BE MADE IN COMPUTING TOTAL INCOME

80A. *Deduction in respect of life insurance premi annuities and contributions to provident funds, etc.*—(1) In computing the total income of an assessee there shall be deducted, in accordance with and subject to the provisions of this section, an amount equal to sixty per cent of the first five thousand rupees of the aggregate of the sums specified in sub-section (2) and fifty per cent of the balance, if any, of such aggregate.

(2) The sums referred to in sub-section (1) shall be the following, namely:—

- (a) where the assessee is an individual any sums paid in the previous year by the assessee out of his income chargeable to tax—
  - (i) to effect or to keep in force an insurance on the life of the assessee or on the life of the wife or husband of the assessee; or
  - (ii) to effect or to keep in force a contract for a deferred annuity life of the assessee or on the life of the wife or husband of the assessee; or
  - (iii) as a contribution to any provident fund to which the Provident Funds Act, 1925 (19 of 1925), applies;
- (b) where the assessee is a Hindu undivided family, any sums paid in the previous year by the assessee out of its income chargeable to tax to effect or to keep in force an insurance on the life of any male member of the family or of the wife of any such member;
- (c) any sum deducted in the previous year from the salary payable by or on behalf of the Government to any individual being, a sum deducted in accordance with the conditions of his service, for the purpose of securing to him a deferred annuity or making provision for his wife or children, in so far as the sum so deducted does not exceed one-fifth of the salary;
- (d) if the assessee is an employee participating in a recognized provident fund, his own contributions to his individual account in the fund in the previous year, in so far as the aggregate of such contributions does not exceed one-fifth of his salary in that previous year or eight thousand rupees, whichever is less.

*Explanation.*—In clause (d) of this sub-section and in clause (d) of sub-section (1) of section 87, “salary” shall have the meaning assigned to it in clause (h) of rule 2 of Part A of the Fourth Schedule;

- (e) if the assessee is an employee participating in an approved superannuation fund, any sum paid in the previous year by him by way of contribution towards the superannuation fund;
- (f) where the assessee is an individual, any sums deposited, in the previous year by the assessee out of his income chargeable to tax, in ten-year account or a fifteen-year account under the Post Office Saving Bank (Cumulative Time Deposits) Rules, 1959, as amended from time to time.

(3) The provisions of clause (a) and (b) of sub-section (2) shall apply only to so much of any premium or other payment made on a policy other than a contract for a deferred annuity as is not in excess of ten per cent of the actual capital sum assured.

**Explanation.**—In calculating any such capital sum, no account shall be taken—

- (i) of the value of any premiums agreed to be returned, or
- (ii) of any benefit by way of bonus or otherwise over and above the sum actually assured, which is to be or may be received under the policy by any person.

(4) The aggregate of the sums referred to in sub-section (2), which qualifies for the purposes of computing the deduction referred to in sub-section (1), shall not exceed—

- (i) in the case of an individual being an author, playwright, artist, musician or actor, such percentage of his total income, as computed before making any deduction under this Chapter and before deduction of any amount of annuity deposit under section 280Q, or such amount, as may be prescribed:

Provided that such individual has effected an insurance referred to in sub-clause (i) of clause (a) of sub-section (2) prior to the 1st day of March, 1964 and has paid any sum in the previous year to keep in force such insurance;

- (ii) in the case of any other individual [including an author, playwright, artist, musician or actor to whom the provisions of clause (i) do not apply], twenty-five per cent of the total income, as computed before making any deduction under this Chapter and before deduction of any amount of annuity deposit under section 280Q, or twelve thousand five hundred rupees whichever is less;

- (iii) in the case of a Hindu undivided family twenty-five per cent of its total income, as computed before making any deduction under this Chapter and before deduction of any amount of annuity deposit under section 280Q, or twenty-five thousand rupees, whichever is less.

(5) If the total income of the assessee includes any income chargeable under the head "Salaries", the deduction under sub-section (1) shall be made in computing the income under that head, and if there is no income chargeable under that head, or if the amount required to be deducted exceeds such income, the whole or the balance of the amount required to be deducted shall be allowed as a deduction in computing earned income chargeable under any other head, and if there is no earned income chargeable under any other head or the whole or the balance of the amount required to be deducted exceeds such earned income, the whole or the balance of the amount required to be deducted shall be allowed as a deduction in computing any other income under any head.

(6) This section shall apply in respect of—

- (i) the assessment year commencing on the 1st day of April, 1966 and any subsequent assessment year, in the case of an assessee whose total income includes any income chargeable under the head "Salaries" from which tax is deducted, or deductible, at source in accordance with the provisions of section 192; and
- (ii) the assessment year commencing on the 1st day of April, 1965 and any subsequent assessment year in the case of any other assessee.

**80B. Deduction in respect of medical treatment etc., of handicapped persons.**—(1) Where an assessee who is resident in India, being an individual or Hindu undivided family, who has, during the previous year, incurred out of his or its income chargeable to income-tax, expenditure for the medical treatment (including nursing) of a person who—

- (a) is a relative of the individual, or, as the case may be, is a member of the Hindu undivided family and is not dependent on any person other than such individual or Hindu undivided family for his support or maintenance, and
- (b) is suffering from a physical or mental disability which is certified a registered medical practitioner to have the effect of reducing considerably such persons capacity for normal work or engaging in a gainful employment (hereinafter in this section referred to as handicapped dependant),

the assessee shall, subject to the provisions of this section be allowed a deduction of the amount specified in sub-section (2) in the computation of his total income in respect of the previous year.

(2) The deduction under sub-section (1) shall be—

- (i) in a case where the handicapped dependant has, for a period of one hundred and eighty-two days or more during the previous year, been admitted in a hospital or a nursing home or a medical institution or in such other institution as may be notified by the Central Government in the Official Gazette to be an institution for the care of handicapped persons, and fees and charges for his medical treatment (including nursing) are payable to such hospital or nursing home or medical or other institution, as the case may be, a sum of two thousand four hundred rupees, or
- (ii) in any other case, a sum of six hundred rupees, as reduced, in either case, by an amount equal to the income, if any, of the handicapped dependant in respect of the previous year.

Provided that where the assessee has during the previous year, incurred expenditure on more than one handicapped dependant, the deduction under sub-section (1) shall be allowed only with reference to one such handicapped dependant as may be chosen by the assessee.

- (3) If the total income of the assessee includes any earned income, the allowance referred to in sub-section (1) shall be made in computing the earned income chargeable under any head; and there is no such income or the amount of the allowance exceeds such income, the whole or the balance of such amount, as the case may be, shall be allowed as a deduction in computing the assessee's earned income chargeable under any head.

**80C. Relief relating to payment for securing retirement annuities.**—(1) Where in the case of an assessee, being an individual who is a citizen of India and is resident in India his share in the income of a registered firm which renders professional service as chartered accountant, solicitor, lawyer, architect, or such other professional service as may be notified in this behalf by the Central Government in the Official Gazette is chargeable to tax and he has paid out of his income chargeable to tax a premium (by whatever name called) in any previous year under an annuity contract for the time being approved by the Commissioner as having for its main object the provision for the individual of a life annuity in old age (hereinafter in this section referred to as qualifying premium), then the assessee shall,

subject to the provisions of this section, be allowed a deduction of the amount of the qualifying premium in the computation of his total income in respect of the previous year:

Provided that the amount which may be so deducted shall not exceed the sum of five thousand rupees or one-tenth of his total income for that year, whichever is less:

Provided further that any annuity payable to the individual shall be deemed to be his earned income to the extent to which it is attributable to the amount in respect of which deduction has been allowed under this section and chargeable to tax accordingly.

*Explanation.* For the purpose of the first proviso, "total income" means the total income computed in accordance with the provisions of this Act, before making any deduction under this Chapter and before deduction of any amount of annuity deposit under section 280O but excluding any income which would otherwise be included in his total income under the provisions of section 64.

(2) Subject to sub-section (3) and any rules made by the Board in this behalf, the Commissioner shall not approve a contract unless he is satisfied that it does not—

(a) provide for the payment during the life of the individual of any sum except sums payable by way of annuity to the individual; or

(b) provide for the annuity payable to the individual to commence before he attains the age of fifty-eight or after he attains the age of sixty-eight; or

(c) provide for the payment of any other sums except sums payable by way of annuity to the individual's widow or widower and any sums which, in the event of no annuity becoming payable either to the individual or to a widow or widower of the individual, are payable to the individual's legal representative, by way of return of premiums, by way of reasonable interest on premiums and by way of bonus out of profits; or

(d) provide for the payment of annuity, if any, payable to a widow or widower of the individual to be of a greater annual amount than that paid or payable to the individual; or

(e) provide for the payment of any annuity otherwise than for the life of the annuitant;

and that it does include a provision that no annuity payable under it shall be capable in whole or in part of surrender, commutation or assignment.

(3) The Commissioner may, if he thinks fit, and subject to any conditions the Board may, by rules prescribe and subject to any conditions he thinks proper to impose, approve a contract notwithstanding that the contract provides for one or more of the following matters, that is to say,—

(a) for the payment after the individual's death of an annuity to a dependent other than the widow or widower of the individual;

(d) for the payment to the individual of an annuity commencing before he attains the age of fifty-eight, if the annuity is payable on his becoming incapable through infirmity of mind or body of being actively engaged in his profession or any profession of a similar nature for which he is trained or fitted;

(e) for the annuity payable to any person to continue for a specified term (not exceeding ten years), notwithstanding his death within that term;

(d) in the case of annuity which is to continue for such specified term, for the annuity to be assignable by will.

(4) The foregoing provisions of this section shall apply in relation to a contribution (by whatever name called) to a fund approved by the Commissioner as they apply in relation to any premium under an annuity contract so approved provided the fund satisfies also the conditions set out below and any other conditions which the Board may, by rules, prescribe, namely:—

(a) the fund shall be a fund established in India under an irrevocable trust for the benefit of individuals engaged in any profession referred to in sub-section (1);

(b) the fund shall have for its sole purpose the provision of annuities for individuals engaged in such profession on attaining a specified age or on their becoming incapacitated prior to attaining such age, or for the widow, children or dependants of such persons on their death;

(c) all annuities, pensions and other benefits granted from the fund shall be payable only in India.

(5) The Commissioner may, at any time, after giving a reasonable opportunity of showing cause against the proposed withdrawal to the persons by and to whom premiums are payable under any contract for the time being approved under this section or to the trustees of any fund so approved, withdraw the approval.

(6) Notwithstanding anything contained in sub-sections (1) and (4), no deduction under this section shall be allowed in the case of any individual—

(i) whose total income includes unearned income of more than ten thousand rupees; or

(ii) who is entitled to any pension or participating in any pension or superannuation scheme.

(7) The allowance under this section shall be made in computing the earned income of the assessee included in the total income, so however, that allowance shall not in any case exceed the amount of the income computed under the head "Profits and Gains of business or profession".

(8) any annuity payable under an approved contract referred to in sub-section (1) or from any fund referred to sub-section (4), to a person other than the individual who pays the premium or makes the contribution and any interest on premiums or bonus out of profits payable to such person, shall be deemed to be his unearned income to the extent it is attributable to the amount of deduction allowed under sub-section (1) and chargeable to tax accordingly.

(9) Where any payment by way of annuity otherwise is made by a person to whom premiums or contributions are payable under sub-section (1) of sub-section (4), such person shall, subject to any rules made by the Board in this behalf, deduct from the total amount so paid during any financial year tax at such rate or rates in force in that year as would be applicable to such amount, if it were the total income and shall pay the amount so deducted to the credit of the Central Government within the prescribed time and in such manner as the Board may direct and the provisions of section 201 shall, so far as may be, apply to such person if he does not deduct, or after deducting fails to pay, such tax.

(10) Where a deduction under this section is claimed and allowed for any assessment year in respect of any payment, relief shall not be given in respect of it under any

other provision of this Act for the same or a later assessment year nor (in the case of a payment under a annuity contract) in respect of any other premium or consideration for an annuity under the same contract.

(11) (a) The Board may, by notification in the Official Gazette, make rules for carrying out the purposes of this section.

(b) In particular and without prejudice to the generality of the foregoing power, such rules may—

- (i) prescribe the statements and other information to be submitted along with an application for approval;
- (ii) prescribe the returns statements, particulars or information which the Income-tax Officer may require from a person by and to whom premiums or contributions are payable under this section;
- (iii) provide for the assessment by way of penalty of any consideration received by an individual for an assignment of, or creation of a charge upon, any annuity or other sum receivable by him under any contract or from any fund approved for the time being under this section; and
- (iv) provide for securing such further control over the approval granted under this section and administration of funds approved under this section as it may deem requisite.

80D. *Definitions.*—in this Chapter—

- (i) “relative” in relation to an individual means—
  - (a) the mother, father, husband or wife of the individual, or
  - (b) a son, daughter, brother, sister, nephew or niece of the individual, or
  - (c) a grand son or grand-daughter of the individual, or
  - (d) the spouse of any person referred to in sub-clause (b);
- (ii) “income” in relation to a handicapped dependent means the aggregate income of such person from all sources;
- (iii) the expressions “earned income” and “unearned income” shall have the meanings respectively assigned to them in the Finance Act of the relevant year.

21. *Amendment of section 84.*—In section 84 of the Income-tax Act, in sub-section (6), for the word, figures and letter “Chapter XI-D”, the word and figures “Chapter XI” shall be substituted.

22. *Insertion of new section 85A.*—After section 85 of the Income-tax Act, the following section shall be inserted, namely:—

“85A. *Deduction of tax on inter-corporate dividends.*—

Where the total income of an assessee being a company includes any income by way of dividends received by it from an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends (including dividends on preference shares) within India, the assessee shall be entitled to a deduction from the income-tax with which it is chargeable on its total income for any assessment year of so much of the amount of income-tax calculated at the average rate of income-tax on the income so included (other than any such income on which no income-tax

is payable under the provisions of this Act) as exceeds an amount of twenty-five per cent thereof:

Provided that in the case of a company which has not made the prescribed arrangements for the declaration and payment of dividends within India and whose total income includes any income by way of dividends received by it from an Indian company which is not such a company as is referred to in section 108 and which is wholly or mainly engaged in the business of generation or distribution of electricity or of construction, manufacture or production of any one or more of the articles or things specified in the list in paragraph 2 of the Third Schedule to the Companies (Profits) Surtax Act 1964, (7 of 1964) the amount of income-tax deductible under this section shall be so much of the amount of income-tax calculated at the average rate of income-tax on the income so included (other than any such income on which no income-tax is payable under the provisions of this Act) as exceeds an amount of fifteen per cent thereof.

*Explanation.*—For the purposes of this section, a company shall be deemed to be mainly engaged in the business of generation or distribution of electricity of construction, manufacture or production of any one or more of the articles or things specified in the list in paragraph 2 of the Third Schedule to the Companies (Profits) Surtax Act, 1964 (7 of 1964), if the income attributable to any of the aforesaid activities included in its total income for the previous year is not less than fifty-one per cent of such total income.”

23. *Amendment of section 86.*—In section 86 of the Income-tax Act, clauses (i) and (ii) shall be omitted.

24. *Insertion of new section 86A.*—In Chapter VII of the Income-tax Act, after section 86, the following section shall be inserted, namely:—

“86A. *Deduction from tax on certain securities.*—Where there is included in the total income of an assessee—

- (i) the interest due on any security of the Central Government issued or declared to be income-tax free, or
- (ii) the interest due on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government, the assessee shall be entitled to a deduction from the amount of income-tax with which he chargeable on his total income, of an amount equal to the income-tax calculated on the amount so included at the average rate of income-tax or at the rate of twenty-five per cent whichever is less.”

25. *Amendment of section 87.*—In section 87 of the Income-tax Act—

- (i) in clause (d) of sub-section (1), for the words, figures and letter “to the extent provided in rule 7 of Part A of the Fourth Schedule”, the words “in so far as the aggregate of such contributions does not exceed one-fifth of his salary in that previous year or eight thousand rupees, whichever is less” shall be substituted;
- (ii) in sub-section (4), the words, figures and letter “together with the amount of super-tax deductible under section 99A,” shall be omitted;
- (iii) after sub-section (4), the following sub-section shall be inserted, namely:—

(5) This section shall not apply in respect of—



(i) the assessment year commencing on the 1st day of April, 1966 and any subsequent assessment year, in the case of an assessee whose total income includes any income chargeable under the head "Salaries" from which tax is deducted, or deductible, at source in accordance with the provisions of section 192; and

(ii) the assessment year commencing on the 1st day of April, 1965 and any subsequent assessment year in the case of any other assessee.

26. *Amendment of section 88.*—In section 88 of the Income-tax Act,—

(i) in sub-section (1), for the words "of an amount equal to the income-tax calculated at the average rate of income-tax on any sums paid by him in the previous year", the following shall be substituted, namely:—

"(a) where the assessee is a company, of an amount equal to the income-tax calculated at the average rate of income-tax or at the rate of twenty-five per cent, whichever is less; and

(b) in the case of any other assessee of an amount equal to the income-tax calculated at the average rate of income-tax, on any sums paid by the assessee in the previous year";

(ii) in sub-section (3) after the first proviso, the following proviso shall be inserted, namely:—

"Provided further that where any such sums paid during any previous year relevant to the assessment year commencing on the 1st day of April, 1966 or any subsequent assessment year include any donation referred to in sub-section (6), and which exceed the limit of two hundred thousand rupees, specified in the first proviso, the said limit shall be raised to cover that portion of the donation which is equal to the difference between such sums and the said limit; so however, that the limit so raised shall not exceed ten per cent of the assessee's total income as reduced as aforesaid or five hundred thousand rupees, whichever is less";

(iii) in sub-section (4) the words and figures "together with the amount of super-tax deductible under section 100" shall be omitted;

(iv) in sub-section (6),

(a) for the words "any temple, mosque, gurdwara, church or any other place", the words "any such temple, mosque, gurdwara, church or other place" shall be, and shall be deemed to have been substituted;

(b) after the words "artistic importance", the words "or to be a place of public worship of reknown throughout any State or States" shall be inserted.

27. *Amendment of section 90.*—In section 90 of the Income-tax Act, in clause (a), the brackets and words, "(including super-tax)" shall be omitted.

28. *Amendment of section 91.*—In section 91 of the Income-tax Act, in clause (i) of the Explanation the words "and super-tax" shall be omitted.

29. *Amendment of Chapter XI.* In Chapter XI of the Income-tax Act,—

(i) for the heading "SUPER-TAX", the heading "ADDITIONAL INCOME-TAX ON UNDISTRIBUTED PROFITS" shall be substituted;

(ii) sub-headings "A.—General", "B.—Incomes forming part of total income on which no super-tax is payable",

"C.—Rebate of super-tax" and "D.—Additional super-tax on undistributed profits" and sections 95 to 103 (both inclusive) shall be omitted.

30. *Amendment of section 104.*—In section 104 of the Income-tax Act, in sub-section (1),—

(i) for the word "super-tax", the word "income-tax" shall be substituted;

(ii) in clause (a), the word "and" shall be omitted;

(iii) for the brackets, letter and words "(b) thirty seven per cent in the case of any other company", the following shall be substituted, namely:—

"(b) thirty-seven per cent in the case of a trading company, and

(c) twenty-five per cent in the case of any other company";

31. *Amendment of section 109.*—In sub-section of the Income-tax Act,—

(i) in sub-clause (a) of clause (i), the words "and super-tax" shall be omitted and for the words "any super-tax", the words "any income-tax" shall be substituted;

(ii) after clause (ii), the following clause shall be inserted, namely:—

"(iia) "trading company" means a company whose business consists wholly or mainly in dealing in goods or merchandise manufactured, produced or processed by a person other than that company and whose income attributable to such business included in its total income is not less than fifty-one per cent of the amount of such total income";

(iii) in clause (iii), to sub-clause (4) (a), the following proviso shall be added, namely:—

"Provided that in the case of such company, not being a trading company, sub-clause (a) shall have effect as if for the word "exceed", the words "exceed twice the amount of" were substituted."

32. *Substitution of new section for section 110.*—For section 110 of the Income-tax Act, the following section shall be substituted, namely:—

"110. *Determination of tax where total income includes income of which no tax is payable.*—Where there is included in the total income of an assessee any income on which no income-tax is payable under the provisions of this Act, the assessee shall be entitled to a deduction, from the amount of income-tax with which he is chargeable on his total income of an amount equal to the income-tax calculated at the average rate of income-tax on the amount on which no income-tax is payable."

33. *Amendment of section 111.*—In section 111 of the Income-tax Act, for the words "Income-tax and super-tax", the word "tax" shall be substituted.

34. *Amendment of section 112.*—In section 112 of the Income-tax Act,—

(i) in clause (i), for the word "income-tax", the word "tax" shall be substituted;

(ii) clause (ii) shall be omitted;

(iii) in clause (iii), for the words "income-tax and super-tax", the word "tax" shall be substituted.

35. *Omission of section 113.*—Section 113 of the Income-tax Act, shall be omitted.

**36. Amendment of section 114.**—In section 114 of the Income-tax Act,—

(i) the words "and super-tax", wherever they occur, shall be omitted;

(ii) in clause (b)—

(a) in sub-clause (i), the words "and the average rate of super-tax respectively" shall be omitted;

(b) in sub-clause (ii), after the second proviso, the following proviso shall be inserted, namely:—

"Provided further that the amount of income-tax so calculated in respect of the capital gains relating to bonus shares, if any, chargeable under sub-section (2) of section 45, shall be reduced by an amount equal to twelve and a half per cent of the face value of such bonus shares or the amount of income-tax so calculated, whichever is less."; and

(c) the words "and three-fourths of the average rate of super-tax respectively", and one-half of the average rate of super-tax respectively" and "and average rate of super-tax" shall be omitted.

**37. Substitution of new section for section 115.**—For section 115 of the Income-tax Act, the following section shall be substituted, namely:—

**115. Tax on capital gains in case of companies.**—Where the total income of a company includes any income chargeable under the head "Capital gains" (whether such gains relate to short-term capital assets or to other capital assets), the income-tax payable by it shall be the aggregate of—

(i) the amount of income-tax calculated at the rate of twelve and a half per cent on the amount of capital gains relating to bonus shares, if any, chargeable under sub-section (2) of section 45 as reduced by an amount equal to twelve and a half per cent of the face value of such bonus shares; so however, that reduction shall in no case exceed the amount of income-tax so calculated;

(ii) the amount of income-tax calculated on the amount of capital gains relating to capital assets other than short-term capital assets included in the total income—

(a) at the rate of forty per cent on so much of the amount of such capital gains as relate to buildings or lands or any rights in buildings or lands; and

(b) at the rate of thirty per cent on the balance of such capital gains, if any [excluding capital gains, if any, referred to in clause (i)]; and

(iii) the amount of income-tax with which it would have been chargeable had its total income been reduced by the amount of capital gains referred to in clause (i) and (ii).

**38. Amendment of section 131.**—In section 131 of the Income-tax Act, after the words "Appellate Assistant Commissioner", the words "Inspecting Assistant Commissioner" shall be inserted.

**39. Amendment of section 155.**—In section 155 of the Income-tax Act,—

(i) after sub-section (5), the following sub-section shall be inserted, namely:—

"(5A) Where an allowance by way of development allowance has been made wholly or partly to an assessee in respect of the cost of planting in any area

in any assessment year under section 33A and subsequently—

(i) at any time before the expiry of eight years from the end of the previous year in which such allowance was made, the land is sold or otherwise transferred by the assessee to any person other than the Government, a local authority, a corporation established by a Central, State or Provincial Act or a Government company as defined in section 617 of the Companies Act, 1956 (1 of 1956), or in connection with any amalgamation or succession referred to in sub-section (5) or sub-section (6) of section 33A; or

(ii) at any time before the expiry of the eight years referred to in sub-section (3) of section 33A, the assessee utilises the amount credited to the reserve account under clause (ii) of that sub-section—

(a) for distribution by way of dividends or profits; or

(b) for remittance outside India as profits or for the creation of any asset outside India; or

(c) for any other purpose which is not a purpose of the business of the undertaking, the development allowance originally allowed shall be deemed to have been wrongly allowed and the Income-tax Officer may, notwithstanding anything contained in this Act, recompute the total income of the assessee for the relevant previous year and make the necessary amendment; and the provisions of section 154 shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the previous year in which the sale or transfer took place or the money was so utilised."

(ii) in sub-section (7), for the words "the super-tax" the words "the tax" shall be substituted.

**40. Amendment of section 164.**—In section 164 of the Income-tax Act, the words "or total words income" shall be omitted.

**41. Amendment of section 178.**—In section 178 of the Income-tax Act, for sub-sections (3) and (4), the following sub-sections shall be substituted, namely:—

"(3) The liquidator—

(a) shall not, without the leave of the Commissioner, part with any of the assets of the company, or the properties in his hands until he has been notified by the Income-tax Officer under sub-section (2); and

(b) on being so notified, shall set aside an amount equal to the amount notified, and until he so sets aside such amount, shall not part with any of the assets of the company or the properties in his hands."

Provided that nothing contained in this sub-section shall debar the liquidator from parting with such assets or properties for the purpose of the payment of the tax payable by the company or for making any payment to secured creditors whose debts are entitled law to priority of payment over debts due to Government on the date of liquidation or for meeting such costs and expenses of the winding up of the company as are in the opinion of the Commissioner reasonable.

(4) If the liquidator fails to give the notice in accordance with sub-section (1) or fails to set aside the amount

as required by sub-section (3) or parts with any of the assets of the company or the properties in his hands in contravention of the provisions of that sub-section, he shall be personally liable for the payment of the tax which the company would be liable to pay:

Provided that if the amount of any tax payable by the company is notified under sub-section (2), the personal liability of the liquidator under this sub-section shall be to the extent of such amount."

**42. Amendment of section 181.**—In section 181 of the Income-tax Act, after the words "tax free", the following word shall be inserted, namely:

"at such rate not exceeding twenty-five per cent as may be notified by the Central Government in the Official Gazette from time to time".

**43. Amendment of section 191.**—In section 191 of the Income-tax Act, the brackets and figure "(1)" and sub-section (2) shall be omitted.

**44. Amendment of section 192.** In section 192 of the Income-tax Act,

(i) in sub-section (1), the words "and super-tax" and the words "and average rate of super-tax respectively" shall be omitted;

(ii) sub-section (2) shall be omitted;

(iii) in sub-section (3), the words, brackets and figure "or sub-section (2)" shall be omitted;

(iv) in sub-section (5), for the words "income-tax and super-tax" the word "tax" shall be substituted;

(v) the Explanation shall be omitted.

**45. Amendment of section 193.**—In section 193 of the Income-tax Act,

(a) the words "and super-tax" shall be omitted;

(b) the following Explanation shall be inserted at the end, namely:

*Explanation.*—In this section and in sections 194, 195 and 197, the expression "rates in force" means the rate or rates specified for the purpose of deduction by the Finance Act of the year in which such deduction is required to be made.

**46. Amendment of section 194.**—In section 194 of the Income-tax Act, the words "and super-tax" and the words "or the total word income" shall be omitted.

**47. Amendment of section 195.**—In section 195 of the Income-tax Act, in sub-section (1), the words "and super-tax", wherever they occur, shall be omitted.

**48. Amendment of section 197.**—In sub-section 197 of the Income-tax Act,—

(i) in sub-section (1),—

(a) the words "or super-tax", wherever they occur, and the words "or the total word income" shall be omitted;

(b) in clause (b), for the word "super-tax", the word "income-tax" shall be substituted;

(ii) in sub-section (2), the words "and super-tax" shall be omitted;

(iii) in sub-section (3),—

(a) for the words and figures "sections 84 and 101", the word and figures "section 84" shall be substituted;

(b) the words, brackets and figures "and sub-section (2) of section 101" shall be omitted;

(c) for the words and figures "section 85 and 101", the word and figures "section 85" shall be substituted.

**49. Amendment of section 199.**—In section 199 of the Income-tax Act, for the words "income-tax or super-tax, as the case may be," the word "tax" shall be substituted.

**50. Amendment of section 203.**—In section 203 of the Income-tax Act, for the words "income-tax or super-tax", wherever they occur, the word "tax" shall be substituted.

**51. Amendment of section 206.**—In section 206 of the Income-tax Act, in clause (c) of sub-section (1), the words "and super-tax" shall be omitted.

**52. Amendment of section 209.**—In section 209 of the Income-tax Act,—

(i) in clause (a),—

(a) in sub-clauses (ii) and (iii), the words "and super-tax", wherever they occur, shall be omitted;

(b) in sub-clause (iv), the words "and super-tax" and the brackets and letter "(b)" shall be omitted;

(ii) clause (b) shall be omitted;

(iii) in the Explanation, for the words, brackets and letters "clauses (a) and (b)", the word, brackets and letter "clause (a)" shall be substituted.

**53. Amendment of sections 213 to 217, 220, 243 and 244.**—In sections 213 to 217, 220, 243 and 244 of the Income-tax Act, for the words "four per cent", the words "six per cent" shall be substituted.

**54. Amendment of section 226.**—In section 226 of the Income-tax Act, for sub-section (5), the following sub-section shall be substituted, namely:—

"(5) The Income-tax Officer may, if so authorised by the Commissioner by general or special order, recover any arrears of tax due from an assessee by distraint and sale of his movable property in the manner laid down in the Third Schedule."

**55. Amendment of section 235.**—In section 235 of the Income-tax Act, for clause (b), the following clause shall be substituted, namely:—

"(b) where the shareholder

(i) is not a company, the amount of income-tax payable by him under this Act but not exceeding income-tax calculated at the rate of twenty-five per cent, and

(ii) is a company, twenty-five per cent, on that portion of the dividend which is attributable to the profits of the company assessed to agricultural income-tax."

**56. Amendment of section 236.**—In section 236 of the Income-tax Act, in clause (iii) of Explanation 2, for the words and figures "sections 88 and 100", the word and figures "section 88" shall be substituted.

**57. Amendment of section 236A.**—In section 236A of the Income-tax Act, in sub-section (2), for the word



"super-tax", the word "tax" shall be substituted.

58. *Insertion of new section 276A.*—After section 276 of the Income-tax Act, the following section shall be inserted, namely:—

"276A. *Failure to comply with the provisions of sub-sections (1) and (3) of section 178.*—If a person, without reasonable cause or excuse,—

- (i) fails to give the notice in accordance with sub-section (1) of section 178 or
- (ii) fails to set aside the amount as required by sub-section (3) of that section; or
- (iii) parts with any of the assets of the company or the properties in his hands in contravention of the provisions of the aforesaid sub-section,

he shall be punishable with rigorous imprisonment for a term which may extend to two years:

Provided that in the absence of a special and adequate reasons to the contrary to be recorded in the judgment of the court, such imprisonment shall not be for less than six months."

59. *Amendment of section 279.*—In section 279 of the Income-tax Act, in sub-section (1), after the word and figures "section 276", the words, figures and letter "or section 276A" shall be inserted.

60. *Amendment of section 280P.*—In section 280P of the Income-tax Act, the words "and super-tax" shall be omitted.

61. *Amendment of section 280X.*—In section 280X of the Income-tax Act, in sub-section (2), the brackets and words "(but not super-tax)" shall be omitted.

62. *Insertion of new Chapter XXII B.*—After section 280X of the Income-tax Act, the following Chapter and sections shall be inserted, namely:—

## CHAPTER XXII B

### TAX CREDIT CERTIFICATES

280Y. *Definitions.*—In this Chapter,—

- (a) "eligible issue of capital" means an issue of ordinary shares specified as such in the scheme;
- (b) "public company" means a public company as defined in section 3 of the Companies Act, 1956 (1 of 1956);
- (c) "scheme" means a scheme made under this Chapter;
- (d) "urban area" means any area which the Central Government may, having regard to the population, concentration of industries, need for proper planning of the area and other relevant factors, by general or special order, declare to be an urban area for the purposes of this Chapter.

280Z. *Tax credit certificates to certain equity shareholders.*—(1) An individual shall be granted a tax credit certificate if he by himself or some other person on his behalf has subscribed to, and made payments in respect of, any eligible issue of capital.

(2) A Hindu undivided family shall also be granted a tax credit certificate if any person has subscribed to, and made payments in respect of, any eligible issue of capital on behalf of that Hindu undivided family.

(3) A tax credit certificate granted under the provisions of this section shall be for the amount or the aggregate

of the amounts computed as hereunder with reference to the capital so subscribed and paid:

- (i) On the first Rs. 15,000 of the amount paid in the financial year at the rate of 5 per cent;
- (ii) On the next Rs. 10,000 of the amount paid in the financial year at the rate of 3 per cent;
- (iii) On the next Rs. 10,000 of the amount paid in the financial year at the rate of 2 per cent;
- (iv) On the balance of the amount paid in the financial year Nil.

*Explanation.*—For the purposes of this section—

(i) "subscribed" includes acquisition of the shares forming part of an eligible issue of capital from a person who is specified as an underwriter in pursuance of clause 11 of Part I of Schedule II to the Companies Act, 1956 (1 of 1956), (hereinafter in this section referred to as the underwriter);

(ii) a payment shall be treated as having been made to the extent to which and on the date on which the amount of the said payment has been credited to the share capital account of the Company.

(4) A tax credit certificate for the amount specified in sub-section (3) shall be granted to an individual or Hindu undivided family—

- (a) where payment by way of subscription has been made to the company, in respect of the financial year in which payments has been made and each of the three financial years following that year; and
- (b) where the acquisition has been made from the underwriter, in respect of the financial year in which the capital was so acquired and each one, if any, of the following financial years not falling beyond the third financial year from the end of the financial year in which the payment by way of subscription has been made to the company by the underwriter:

Provided that, in either case, the capital is held by or on behalf of the individual or on behalf of the Hindu undivided family, as the case may be, at the end of the relevant financial year:

Provided further that where any part of the capital in respect of which a tax credit certificate had been granted in a financial year (hereinafter referred to as the earlier financial year) is sold, transferred or otherwise disposed of in a subsequent financial year, the tax credit certificate to be granted with reference to the remaining capital in respect of the said subsequent financial year or any financial year following that year shall be for such amount as bears to the amount for which the tax credit certificate was granted in the earlier financial year the same proportion as the amount of the remaining capital as on the 31st day of March of the subsequent financial year bears to the total amount of the capital with reference to which the tax credit certificate was granted in the earlier financial year.

(5) If any individual by himself or on behalf of any other individual or on behalf of any Hindu undivided family has acquired any shares forming part of an eligible

issue of capital from the underwriter, he shall not be entitled to a tax credit certificate under this section, unless his name is entered as a shareholder in respect of such shares in the register of shareholders of the company.

(6) The amount shown on a tax credit certificate granted to an individual or Hindu undivided family shall, on the certificate being produced before the Income-tax Officer, be adjusted against any existing liability of such individual or Hindu undivided family under the Indian Income-tax Act, 1922 (11 of 1922), or this Act, or any such liability arising within the period of twelve months from the date on which the certificate was produced before the Income-tax Officer, and where the amount of such certificate exceeds such liability or where there is no such liability, the excess or the whole of such amount as the case may be, shall notwithstanding anything contained in Chapter XIX, be deemed, on the date of the expiry of the said period of twelve months, to be refund due to such individual or Hindu undivided family, as the case may be, under that Chapter and the provisions of this Act shall apply accordingly.

(7) The Central Government may specify in a scheme any issue of ordinary shares by a public company as eligible issue of capital.

(8) In specifying any issue of ordinary shares as eligible issue of capital, the Central Government shall have regard to the following factors, namely:—

- (a) the total amount of the capital issued;
- (b) the terms and conditions subject to which the capital is issued;
- (c) the trade or business in which the company concerned is engaged;
- (d) the purposes for which the issue is being made;
- (e) any other relevant factor.

**280ZA. Tax credit certificates for shifting of industrial undertaking from urban area.**—(1) If any public company owning an industrial undertaking situate in an urban area shifts, with the prior approval of the Board, such undertaking to any area (not being the area in which such undertaking is situate), it shall be granted a tax credit certificate.

(2) The tax credit certificate to be granted under sub-section (1) shall be for an amount computed in the following manner with reference to the amount of the tax payable by the company on its income chargeable under the head "Capital gains" arising from the transfer of capital assets being buildings or lands or any rights in buildings or lands used for the purposes of the business of the said undertaking in the urban area, effected in the course of or in consequence of the shifting of such industrial undertaking, namely:

- (a) the amount of expenditure incurred by the company in—
  - (i) acquiring lands or constructing buildings for the purpose of the business of the company in the area to which the undertaking is shifted, and
  - (ii) shifting its machinery or plant and other effects and transferring its establishment to such area,

within a period of three years, from the date of the approval referred to in sub-section (1), or such further period as the Board may allow, shall first be ascertained;

- (b) the amount of the tax credit certificate shall bear to the amount of tax payable by the company on its income chargeable under the head "Capital

gains" as aforesaid, the same proportion as the amount of expenditure ascertained under clause (a) bears to the amount of the said income:

Provided that the amount of the tax credit certificate shall in no case exceed the amount of the tax aforesaid.

(3) The amount shown on a tax credit certificate granted to a public company under sub-section (1) shall, on the certificate being produced before the Income-tax Officer, be adjusted against any existing liability of the company under the Indian Income-tax Act, 1922 (11 of 1922), or this Act, or any such liability arising within the period of twelve months from the date on which the certificate was produced before the Income-tax Officer, and where the amount of such certificate exceeds such liability, or where there is no such liability, the excess or the whole of such amount, as the case may be, shall, notwithstanding anything contained in Chapter XIX, be deemed, on the date of the expiry of the said period of twelve months, to be refund due to such company under that Chapter and the provisions of this Act shall apply accordingly.

(4) Where a capital asset, being building or and, or any right in building or land, acquired or, as the case may be, constructed in the area to which the undertaking of the company is shifted, is transferred by the company within a period of five years from the date of acquisition or, as the case may be, the date of completion of construction to any person other than the Government, a local authority, a corporation established by a Central State or Provincial Act or a Government company as defined in section 617 of the Companies Act, 1956 (1 of 1956), as amount equal to one-half of the amount for which a tax credit certificate has been granted to the company under sub-section (1) shall be deemed to be tax due from the company on the thirtieth day following the date of transfer under a notice of demand issued under section 156, and all the provisions of this Act shall apply accordingly.

**Explanation.**—Any land or building used for the residence of persons employed in the business of the company or for the use of such persons as a hospital, creche, school, canteen, library, recreational centre, shelter, rest-room or lunch-room shall, for the purposes of this section, be deemed to be land or building used for the purposes of the business of the company.

**280ZB. Tax credit Certificate to certain manufacturing Companies in certain cases.**—(1) Where any company engaged in the manufacture or production of any of the articles mentioned in the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951), is in respect of its profits and gains attributable to such manufacture or production, —

- (i) liable to pay any tax for the assessment year commencing on the 1st day of April, 1965 (hereinafter referred to as the base year) and for any one or more of the five assessment years next following that year; or
  - (ii) not liable to pay any tax for the base year but becomes so liable for any succeeding year (hereinafter referred to as the succeeding base year) and also for any one or more of the assessment years following that year, not being an assessment year commencing on the 1st day of April, 1971, or any subsequent assessment year, and the tax for any such succeeding year exceeds—
- (a) in the case referred to in clause (i) the tax payable for the base year;

(b) in the case referred to in clause (ii), the tax payable for the succeeding base year, then the company shall be granted a tax credit certificate for an amount equal to twenty per cent of such excess:

Provided that the amount of the tax credit certificate shall not for any assessment year exceed ten per cent of such tax payable by the company for that year.

(2) The amount shown on a tax credit certificate granted to any company under the provisions of sub-section (1) shall, on the certificate being produced before the Income-tax Officer, be adjusted against any existing liability of such company under the Indian Income-tax Act, 1922 (11 of 1922), or this Act, or any such liability arising within a period of twelve months from the date on which the certificate was produced before the Income-tax Officer and where the amount of such certificate exceeds such liability, or where there is no such liability, the excess or the whole of such amount, as the case may be, shall, notwithstanding anything contained in Chapter XIX, be deemed, on the date of the expiry of the said period of twelve months, to be refund due to such company under that Chapter and the provisions of this Act shall apply accordingly:

Provided that the adjustment or refund, as the case may be, under this sub-section shall be only for such amount not exceeding the amount of the certificate, as is used within such period as may be specified in the scheme—

- (i) for repayment of loans taken by the company from any of the financial institutions notified in this behalf by the Central Government, or
- (ii) for redemption of its debentures, or
- (iii) for the acquisition of any capital asset in India, including the construction of any building, for the purposes of the business of the company.

**Explanation 1.**— In this section, "tax" means income-tax payable under this Act and surtax, if any, payable under the Companies (Profits) Surtax Act, 1964 (7 of 1964).

**Explanation 2.**—The amount of income-tax in respect of the profits or gains attributable to the manufacture or production of the articles referred to in sub-section (1) shall be an amount bearing to the total amount of income-tax payable on the total income (such income-tax being computed in the manner specified hereunder) the same proportion as the amount of such profits or gains bears to the total income. The amount of income-tax payable by the company for any assessment year shall be computed after making allowance for any relief, rebate or deduction in respect of income-tax to which the company is entitled under the provisions of this Act or the annual Finance Act and after deducting from such amount of income-tax the amount of additional income-tax, if any, payable by the company under the provisions of section 104 and also the amount, if any, by which the rebate of income-tax admissible to the company under the provisions of the annual Finance Act is, under the provisions of the said Act, reduced with reference to the face value of any bonus shares or the amount of any bonus issued by the company to its shareholders during the previous year or any previous year prior to that year or with reference to any amount of dividends declared or distributed by it during the previous year or any previous year prior to that year.

**Explanation 3.**— The amount of surtax in respect of the chargeable profits attributable to the manufacture or production of the articles referred to in sub-section (1) shall be an amount bearing to the total amount of surtax payable under the Companies (Profits) Surtax Act, 1964 (7 of 1964), the same proportion as the amount of such chargeable profits bears to the whole of the chargeable profits.

**280ZC. Tax credit certificate in relation to exports.**—

(1) Subject to the provisions of this section, a person who exports any goods or merchandise out of India after the 28th day of February, 1965, and receives the sale proceeds thereof in India in accordance with the Foreign Exchange Regulation Act, 1947 (7 of 1947), and the rules made thereunder, shall be granted a tax credit certificate for an amount calculated at a rate not exceeding fifteen per cent on the amount of such sale proceeds.

(2) The goods or merchandise in respect of which a tax credit certificate be granted under sub-section (1) (including the destination of their export) and the rate at which the amount of such certificate shall be calculated shall be such as may be specified in the scheme:

Provided that different rates may be specified in respect of different goods or merchandise.

(3) In specifying the goods or merchandise (including the destination of their export) and the rates, the Central Government shall have regard to the following factors, namely:—

- (a) the cost of manufacture or production of such goods or merchandise and prices of similar goods in the foreign markets;
- (b) the need to develop foreign markets for such goods or merchandise;
- (c) the need to earn foreign exchange;
- (d) any other relevant factor.

(4) The amount shown on a tax credit certificate granted to any person under this section shall, on the certificate being produced before the Income-tax Officer, be adjusted against any existing liability of that person under the Indian Income-tax Act, 1922 (11 of 1922), or this Act or any such liability arising within the period of twelve months from the date on which the certificate was produced before the Income-tax Officer and where the amount of such certificate exceeds such liability, or where there is no such liability, the excess or the whole of such amount, as the case may be, shall, notwithstanding anything contained in Chapter XIX, be deemed, on the date of the expiry of the said period, to be refund due to such person under the Chapter and the provisions of this Act shall apply accordingly.

**280ZD. Tax credit certificates in relation to increased production of certain goods.**—

(1) Subject to the provisions of this section a person, who during any financial year commencing on the 1st day of April, 1965 or any subsequent financial year (not being a year commencing on the 1st day of April, 1970 or any financial year thereafter) manufactures or produces any goods, shall be granted a tax credit certificate for an amount calculated at a rate not exceeding twenty-five per cent of the amount of the duty of excise payable by him on that quantum of the goods cleared by him during the relevant financial year which exceeds the quantum of the goods cleared by him during the base year, whether the clearance in either case is for home consumption or export.

(2) The goods in respect of which a tax credit certificate shall be granted under sub-section (1) and the rate

at which the amount of such certificate shall be calculated shall be such as may be specified in the scheme: Provided that different rates may be specified in respect of different goods.

(3) In specifying the goods and the rates under sub-section (1), the Central Government shall have regard to the following factors, namely:—

- (a) the need for stimulating industrial output;
- (b) the need for financial assistance to industrial undertakings engaged in the manufacture or production of such goods;
- (c) any other relevant factor.

(4) Where any undertaking begins, after the 1st day of April in the base year, to manufacture or produce any goods in respect of which a tax credit certificate may be granted under sub-section (1), the quantum of goods cleared in that year shall, for the purposes of that sub-section, be determined in such manner as may be provided in the scheme.

(5) The amount shown on a tax credit certificate granted to any person under the provisions of sub-section (1) shall, on the certificate being produced before the Income-tax Officer, be adjusted against any existing liability of such person under the Indian Income-tax Act, 1922 (11 of 1922), or this Act or any such liability arising within a period of twelve months from the date on which the certificate was produced before the Income-tax Officer and where the amount of such certificate exceeds such liability or where there is no such liability, the excess or the whole of such amount, as the case may be, shall notwithstanding anything contained in Chapter XIX, be deemed, on the date of the expiry of the said period of twelve months, to be refund due to such person under that Chapter and the provisions of this Act shall apply accordingly:

Provided that the adjustment or refund, as the case may be, under this sub-section shall be only for such amount, not exceeding the amount of the certificate as is used within such period as may be specified in the scheme:—

- (i) for repayment of loans taken by the person from any of the financial institutions notified in this behalf by the Central Government, or
  - (ii) for the acquisition of any capital asset in India, including the construction of any building, for the purposes of his business, or
  - (iii) where the person is a company, also for redemption of its debentures.
- (6) In this section:—

- (a) "base year", in relation to an existing undertaking which manufactures or produces the goods referred to in sub-section (1), means the financial year commencing on the 1st day of April, 1964 and in relation to any other undertaking, the financial year in which such undertaking begins to manufacture or produce such goods;
- (b) "duty of excise" means the duty of excise leviable under the Central Excise and Salt Act, 1944 (1 of 1944).

**280ZE. Tax credit certificate scheme.**—(1) The Central Government shall, by notification in the Official Gazette, frame one or more scheme or schemes to be called as credit certificate scheme or schemes in relation to tax credit certificates to be granted under this Chapter.

(2) A scheme framed under sub-section (1) may provide or—

- (a) the form and manner in which, and the authority to which, applications for the grant of tax credit certificates shall be made;
- (b) the form in which, and the intervals at which, and the authority by which, such certificates shall be issued;
- (c) the verification of any information or particulars furnished, or contained in any application made, by or on behalf of any person entitled to tax credit certificates;
- (d) the determination of the rights and obligations of a person to whom such certificate has been granted and the circumstances in which any right in or title to the said certificate may be transferred to or devolve on any other person by succession or otherwise;
- (e) the determination of the rights and obligations of persons who jointly subscribe to an eligible issue of capital;
- (f) the determination of the rights and obligations of persons who subscribe to an eligible issue of capital, on behalf, or for the benefit, of any other person;
- (g) the appointment of any officer of Government or of the Reserve Bank of India to exercise any rights or perform any duties in connection with the grant of the said certificates;
- (h) the goods or merchandise and the rate or rates for the purposes of section 280ZC and section 280ZD and the destination of the export of such goods or merchandise for the purposes of section 280ZC;
- (i) any other matter which may be necessary or proper for the effective implementation of the provisions of this Chapter or the scheme.

(3) The Central Government may, by notification in the Official Gazette, add to, amend, vary or rescind any scheme made under this section.

(4) Any scheme made under this section shall be laid, as soon as may be, after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in any provision of the scheme or both Houses agree that any provision in the scheme should not be made, that provision of the scheme shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that provision.

**63. Amendment of section 294.**—In section 294 of the Income-tax Act, the words "or super-tax" shall be omitted.

**64. Amendment of section 295.**—In section 295 of the Income-tax Act, in clause (e) of sub-section (2), after the words, brackets and figures "clause (i) of sub-section (3) of section 87", the words, brackets, figures and letter "or clause (i) of sub-section (4) of section 80A, as the case may be" shall be inserted.

**65. Amendment of First Schedule.**—In the First Schedule to the Income-tax Act, in rule 3, in clause (c), for the words "but no income-tax shall be payable on the annual average of the amount of such interest", the words "but the



assessee shall be entitled to a deduction from the amount of income-tax with which he is chargeable on his total income, of an amount calculated at the rate of twenty-five per cent on the annual average of the amount of such interest" shall be substituted.

66. *Amendment of Fourth Schedule.*—In the Fourth Schedule to the Income-tax Act,—

(a) in Part A,—

(i) in rule 6, the words "and super-tax" shall be omitted;

(ii) for rule 7, the following rule shall be substituted, namely:—

"7. *Exemption for employee's contributions.*

An employee participating in a recognised provident fund shall, in respect of his own contributions to his individual account in the fund in the previous year, be entitled to a deduction in the computation of his total income of an amount determined in accordance with section 80A or, as the case may be, to a deduction from the amount of income-tax with which he is chargeable on his total income of an amount of income-tax determined in accordance with section 87."

(iii) in sub-rule (1) of rule 9, for the words "income-tax and super-tax" wherever they occur, the word "tax" shall be substituted;

(iv) in sub-rule (3) of rule 11, the words "and super-tax" shall be omitted;

(v) in clause (d) of sub-rule (1) of rule 15, for the words "income-tax and super-tax", the word "tax" shall be substituted;

(b) in Part B,—

(i) in rule 5, the words "and super-tax" shall be omitted;

(ii) in rule 6,—

(a) for the words "income-tax and super-tax" wherever they occur, the word "tax" shall be substituted;

(b) after the words "paid to an employee during his lifetime," the words, brackets and figures "in circumstances other than those referred to in clause (13) of section 10" shall be inserted;

(c) in clause (e) of sub-rule (1) of rule 11, for the words "income-tax and super-tax", the words "tax" shall be substituted;

(c) in Part C, in rule 7, the words "and super-tax" shall be omitted.

67. *Insertion of new Schedule.*—After the Fourth Schedule to the Income-tax Act, the following Schedule shall be inserted, namely:—

#### THE FIFTH SCHEDULE

[See section 33 (1) (iii) (c)]

*List of articles and things*

- (1) Iron and steel (metal), ferro-alloys and special steels.
- (2) Aluminium, copper, lead and zinc (metals).
- (3) Iron ore, bauxite, manganese ore, dolomite, limestone, magnesite and mineral oil.

(4) Industrial machinery specified under heading "8. Industrial machinery", sub-heading "A. Major items of specialised equipment used in specific industries", of the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951).

(5) Boilers and steam generating plants, steam engines and turbines and internal combustion engines.

(6) Flame and drip proof motors.

(7) Equipment for the generation and transmission of electricity including transformers, cables and transmission towers.

(8) Machine tools and precision tools (including their attachments and accessories, cutting tools and small tools), dies and jigs.

(9) Tractors, earth-moving machinery and agricultural implements.

(10) Motor trucks and buses.

(11) Steel castings and forgings and malleable iron steel castings.

(12) Cement and refractories.

(13) Fertilisers, namely, ammonium sulphate, ammonium sulphate nitrate, (double salt), ammonium nitrate, calcium ammonium nitrate (nitro lime stone), ammonium chloride, super phosphate, urea and complex fertilisers of synthetic origin, containing both nitrogen and phosphorus, such as ammonium phosphates, ammonium sulphate phosphate and ammonium nitro phosphate.

(14) Soda ash.

(15) Pesticides.

(16) Paper and pulp.

(17) Electronic equipment, namely, radar equipment, computers, electronic accounting and business machines, electronic communication equipment, electronic control instruments and basic components, such as valves, transistors, resistors, condensers, coils, magnetic materials and micro wave components.

(18) Petrochemicals including corresponding products manufactured from other basic raw materials like calcium carbide, ethyl alcohol or hydrocarbons from other sources.

(19) Ships.

(20) Automobile ancillaries.

(21) Seamless tubes.

(22) Gears.

(23) Ball, roller and tapered bearings.

(24) Component parts of the articles mentioned in items Nos. (4), (5), (7) and (9), that is to say, such parts as are essential for the working of the machinery referred to in the items aforesaid and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose and are in complete finished form and ready for fitment.

(25) Cotton seed oil."

68. *Voluntary disclosure of income.*—(1) Where any person makes a declaration in accordance with sub-section (2) in respect of the amount representing income—

(a) which he has failed to disclose in a return of income for any assessment year filed by him before the 1st day of March, 1965 under the Indian Income-tax Act, 1922, (11 of 1922) or the Income-tax Act, 1961 (43 of 1961), or

- (b) which has escaped assessment for any assessment year for which an assessment has been made before the 1st day of March, 1965 under either of the said Acts, or
- (c) for the assessment of which no proceeding under either of the said Acts has been taken before the 1st day of March, 1964,

he shall, notwithstanding anything contained in the said Acts, be charged income-tax at the rate specified in sub-section (3) in respect of the amount so declared if he,—

- (i) pays the amount of income-tax as computed at the said rate, or
- (ii) furnishes adequate security for the payment thereof in accordance with sub-section (4) and undertakes to pay such income-tax within a period, not exceeding six months, from the date of the declaration as may be specified by him therein, or
- (iii) on or before the 31st day of May, 1965, pays such amount as is not less than one-half of the amount of income-tax as computed at the said rate or furnishes adequate security for the payment thereof in accordance with sub-section (4), and in either case assigns any shares in, or debentures of, a joint stock company or mortgages any immovable property, in favour of the President of India by way of security for the payment of the balance, and undertakes to pay such balance within the period referred to in clause (ii).

(2) The declaration shall be made to the Commissioner, and shall specify the period required to be specified under clause (ii) of sub-section (1), contain the name, address and signature of the person making the declaration and also full information in respect of the following matters, namely:—

- (a) Whether he was assessed to income-tax or not and, if assessed, the name of the Income-tax Circle in which he was assessed.
- (b) The amount of income declared, giving where available, details of the financial year or years in which the income was earned and the amount pertaining to each such year.
- (c) Whether the amount declared is represented by cash (including bank deposits), bullion investments in shares, debts due from other persons, commodities, or any other assets, and the name in which it is held and location thereof:

Provided that the declaration shall be of no effect unless it is made after the 28th day of February, 1965 and before the 1st day of June, 1965.

(3) The rate of income-tax chargeable in respect of the amount referred to in sub-section (1) shall be sixty per cent of such amount:

Provided that if before the 1st day of April, 1965, the tax on the amount declared is paid by the declarant at the rate of fifty-seven per cent of such amount, he shall not be liable to pay any further tax on such amount.

(4) A person shall not be considered to have furnished adequate security for the payment of the tax for the purposes of sub-section (1) unless the payment is guaranteed by a scheduled bank or the person makes an assignment, in favour of the President of India, of any security of the Central or State Government.

**Explanation.**—For the purposes of this sub-section, where an assignment of Government securities is made in favour of the President, the amount covered by such

assignment shall be the market value of the securities on the date of the assignment.

(5) Any amount of income-tax paid in pursuance of a declaration made under this section shall not be refundable in any circumstances, and no person who has made the declaration shall be entitled, in respect of any amount so declared or any amount of tax so paid, to reopen any assessment or reassessment made under the Indian Income-tax Act, 1922 (11 of 1922) or the Income-tax Act, 1961, (43 of 1961), or the Excess Profits Tax Act, 1940 (15 of 1940), or the Business Profits Tax Act, 1947, (21 of 1947), or the Super Profits Tax Act, 1963 (14 of 1963), or the Companies (Profits) Surtax Act, 1964, (7 of 1964), or claim any set off or relief in any appeal, reference, revision or other proceeding in relation to any such assessment or reassessment.

(6) Any amount declared by any person under this section (a) in respect of which the tax referred to in sub-section (3) is paid shall not be included in his total income for any assessment under any of the Acts mentioned in sub-section (5) if he credits in the books of account, if any, maintained by him for any source of income or in any other record, the amount declared as reduced by the tax paid thereon under this section.

(b) A credit made under clause (a) shall be intimated to the Income-tax Officer.

(7) (a) The Commissioner shall grant a certificate to every person who has made a declaration under this section and paid the income-tax under this section.

(b) The certificate shall set forth the particulars of the amount stated in the declaration, the amount of income-tax paid in respect of the same and the date of payment.

(8) (a) All particulars contained in any declaration made under this section or record of any proceeding under this section shall be treated as confidential and, notwithstanding anything contained in any law for the time being in force no court shall be entitled to require any public servant, to produce before it any such declaration or record or any part thereof or to give evidence before it in respect thereof.

(b) No public servant shall disclose any particulars contained in any such declaration or record except to any officer employed in the execution of any of the Acts mentioned in sub-section (5) or to any officer appointed by the Comptroller and Auditor-General of India or the Board to audit income-tax receipts or refunds.

(9) Any payment of income-tax under this section shall be made by depositing the amount to the credit of the Central Government at a Government treasury or sub-treasury, or at any branch of the Reserve Bank of India, or at any branch of the State Bank of India or at any of its agencies conducting Government treasury business.

(10) In this section,—

(i) "Board" means the Central Board of Direct Taxes constituted under the Central Boards of Revenue Act, 1963 (54 of 1963);

(ii) "Commissioner" means the Commissioner of Income-tax appointed under the Income-tax Act, 1961 (43 of 1961), having for the time being jurisdiction for the purposes of that Act over the person who makes a declaration under this section.

**69. Amendment of Act 34 of 1953.**—In the Estate Duty Act, 1953,—

(i) in section 9, in sub-section (1), for the words "two years" the words "one year" shall be substituted;

(ii) in section 10,—

(a) in the proviso, for the words "two years",

the words "one year" shall be substituted;

- (b) after the proviso, the following proviso shall be inserted, namely:—

"Provided further that a house or part thereof taken under any gift made to the spouse, son, daughter, brother or sister, shall not be deemed to pass on the donor's death by reason only of the residence therein of the donor except where a right of residence therein is reserved or secured directly or indirectly to the donor under the relevant disposition or under any collateral disposition.";

- (iii) in sub-section (2) of section 11,—

- (a) for the words "two years", wherever they occur, the words "one year" shall be substituted;

- (b) after the first proviso, the following proviso shall be inserted, namely:—

"Provided further that where the disposition or determination of an interest limited to cease on the death in a house or part thereof was effected or suffered in favour of the spouse, son, daughter, brother or sister, then, the disposition or determination shall, notwithstanding the residence therein of the person who immediately before the disposition or determination had the interest, be deemed to be excepted by this sub-section save where a right of residence therein is reserved or secured directly or indirectly to such person under the relevant disposition or under any collateral disposition.";

- (iv) in sub-section (1) of section 12,—

- (a) in the proviso, for the words "two years", the words "one year" shall be substituted;

- (b) after the proviso and before the *Explanation*, the following proviso shall be inserted, namely:—

"Provided further that a house or part thereof comprised in such settlement made in favour of the spouse, son, daughter, brother or sister, shall not be deemed to pass on the settlor's death by reason only of residence therein of the settlor except where a right of residence is reserved or secured directly or indirectly to the settlor under the settlement or under any collateral disposition.";

- (v) in section 22,—

- (a) for the words "two years", the words "one year" shall be substituted;

- (b) for the proviso, the following proviso shall be substituted, namely:—

"Provided that a house or part thereof by the deceased as trustee for another person under a disposition made by him in favour of the spouse, son, daughter, brother or sister, shall not be deemed to be included in the property passing on the death of the deceased by reason only of the residence therein of the deceased except where a right of residence therein is reserved or secured directly or indirectly to the deceased under the relevant disposition or under any collateral disposition.";

- (vi) after section 29, the following section shall be

inserted, namely:—

"29A. *Exemption of pensions, etc., in certain cases.*—Estate duty shall not be payable in respect of—

- (a) any pension accruing or arising on the death of the deceased to his widow or other dependents under the revised Pension Rules of the Central Government or under any similar scheme of a State Government, a local authority or a corporation established by a Central, State or Provincial Act, or under the New Pension Code applicable to the members of the Defence Services; or

- (b) any annuity or pension payable to such widow or dependants from—

- (i) a superannuation fund approved under the Indian Income-tax Act, 1922 (11 of 1922), or the Income-tax Act, 1961 (43 of 1961), to the extent to which the amount of such annuity or pension does not exceed the equivalent of fifteen thousand rupees per annum, or

- (ii) a superannuation or pension fund established by such international organisations as the Central Government may, by notification in the Official Gazette, specify in this behalf.";

- (iii) in section 33, in sub-section (1),—

- (a) in clause (b), for the words "two years", the words "one year" shall be substituted;

- (b) after clause (n), the following clause shall be inserted, namely:—

"(o) property taken under any gift made by the deceased to the spouse, son, daughter, brother or sister, beyond a period of five years before his death:

Provided that the property is either chargeable to gift-tax under the Gift-tax Act 1958 (18 of 1958), or is not chargeable under section 5 of that Act, for any assessment year commencing after the 31 day of March, 1964.";

- (viii) in section 34, in clause (a) of sub-section (1), for the word, brackets and letter "and, (n)" the brackets, letters and word "(n) and (o)" shall be substituted;

- (ix) in section 46, in sub-section (2), for the words "two years", the words "one year" shall be substituted.

70. *Amendment of Act 27 of 1957.*—In the Wealth tax Act, 1957,—

- (i) in sub-section (1) of section 5, after clause (xi) the following clause shall be inserted, namely:—

"(xx) the value of any equity shares held by the assessee in any company of the type referred to in clause (d) of section 45, where such shares form part of the initial issue of equity share capital made by the company after the 31st day of March, 1964, for a period of five successive assessment years commencing with the assessment year next following date on which such company commences operations for which it has been established.";

- (ii) for Part I of the Schedule, the following Part I shall be substituted, namely:—

#### PART I

##### Paragraph A

- (a) In the case of every individual:—

	Rate of
(i) on the first rupees one lakh of net wealth	1
(ii) on the next rupees four lakhs of net wealth	0
(iii) on the next rupees five lakhs of net wealth	1
(iv) on the next rupees ten lakhs of net wealth	2



- (v) on the balance of net wealth ... 2.5%
- (b) In the case of every Hindu undivided family:—
- (i) on the first rupees two lakhs of net wealth ... Nil
- (ii) on the next rupees three lakhs of net wealth ... 0.5%
- (iii) on the next rupees five lakhs of net wealth ... 1.0%
- (iv) on the next rupees ten lakhs of net wealth ... 2.0%
- (v) on the balance of net wealth ... 2.5%
- (c) In addition, in the case of every individual and Hindu undivided family, where the net wealth of the individual or Hindu undivided family includes the value of any asset, being building or land (other than business premises), or any right in such building or land, situated in any area falling in Category A or Category B or Category C or Category D specified in rule 2 of Paragraph B, tax at the following rate or rates computed with reference to the value of such assets determined in accordance with rule 1 of the said Paragraph B:—
- (i) where the total value of such assets as determined under Paragraph B does not exceed rupees two lakhs. Nil
- (ii) where the total value of such assets as determined under Paragraph B exceeds rupees two lakhs but does not exceed rupees seven lakhs. 1% of the amount by which the total value of such assets as so determined exceeds rupees two lakhs.
- (iii) where the total value of such assets as determined under Paragraph B exceeds rupees seven lakhs but does not exceed rupees twelve lakhs. Rs. 5,000 plus 2% of the amount by which the total value of such assets as so determined exceeds rupees seven lakhs.
- (iv) where the total value of such assets as determined under Paragraph B exceeds rupees twelve lakhs but does not exceed rupees seventeen lakhs. Rs. 15,000 plus 3% of the amount by which the total value of such assets as so determined exceeds rupees twelve lakhs.
- (v) where the total value of such assets as determined under Paragraph B exceeds rupees seventeen lakhs. Rs. 30,000 plus 4% of the amount by which the total value of such assets as so determined exceeds rupees seventeen lakhs.

**Explanation.** For the purposes of this Part "business premises" means any building or land or part of such building or land, or any right in building or land or part thereof owned by the assessee and used throughout the previous year for the purposes of his business or profession, and includes any building used for the purpose of residence of persons employed in the business or any building used for the welfare of such persons as a hospital, clinic, school, canteen, library, recreational centre, shelter or room or lunch-room.

#### Paragraph B

**Rule 1.**—The total value of assets for the purposes of clause (c) of Paragraph A shall be determined as being the aggregate amount by which the value of such assets, included in the net wealth of the individual or Hindu undivided family, which are situated in any area falling in category specified in column 1 hereunder exceeds

the amount specified there against in column 2:—

Category of area 1	Amount 2
	Rs. 5,00,000.
A	The amount by which the value of such assets situated in any area falling in Category A falls short of Rs. 5,00,000 or an amount of Rs. 4,00,000, whichever is less.
B	The amount by which aggregate of the value of such assets situated in any area falling in Category A or Category B falls short of Rs. 5,00,000, or in a case where there is no such asset situated in an area falling in Category A, the amount by which the value of such assets situated in any area falling in Category B falls short of Rs. 4,00,000, or, in either case, an amount of Rs. 3,00,000, whichever is less.
C	The amount by which the aggregate of the value of such assets situated in any area falling in Category A or Category B or Category C falls short of Rs. 5,00,000, or, in a case where there is no such asset situated in an area falling in Category A, the amount by which the aggregate of the value of such assets situated in any area falling in Category B or Category C falls short of Rs. 4,00,000 or, in a case where there is no such asset situated in an area falling in Category A or Category B, the amount by which the value of such assets situated in any area falling in Category C falls short of Rs. 3,00,000 or, in each case, an amount of Rs. 2,00,000, whichever is less.
D	The amount by which the aggregate of the value of such assets situated in any area falling in Category A or Category B or Category C falls short of Rs. 5,00,000, or, in a case where there is no such asset situated in an area falling in Category A, the amount by which the aggregate of the value of such assets situated in any area falling in Category B or Category C falls short of Rs. 4,00,000 or, in a case where there is no such asset situated in an area falling in Category A or Category B, the amount by which the value of such assets situated in any area falling in Category C falls short of Rs. 3,00,000 or, in each case, an amount of Rs. 2,00,000, whichever is less.

**Rule 2.**—For the purposes of this part, all cities and towns in India, the population of which, including the population of the contiguous municipalities and cantonments according to the census held in the year 1961—

- exceeds sixteen lakhs shall be treated as falling in Category A;
- exceeds eight lakhs but does not exceed sixteen lakhs shall be treated as falling in Category B;
- exceeds four lakhs but does not exceed eight lakhs shall be treated as falling in Category C; and
- exceeds one lakh but does not exceed four lakhs shall be treated as falling in Category D;

**71. Amendment of Act 18 of 1958.** In the Gift-tax Act, 1958, —

- in section 5, in sub-section (1), after clause (v), the following clause shall be inserted, namely:—

“(va) (i) to such temple, mosque, gurdwara, church or other place as has been notified by the Central Government for the purposes of sub-section (6) of section 88 of the Income-tax Act, 1961 (43 of 1961); or

- by the settlement on trust, of property the income from which according to the deed of settlement, is to be used exclusively in connection with the temple, mosque,

gurdwara, church or other place specified therein and notified as aforesaid;";

(ii) in Chapter IV, after section 18, the following section shall be inserted, namely:—

"18A. *Credit for stamp duty paid on instrument of gift.*—Where any stamp duty has been paid under any law relating to stamp duty in force in any State on an instrument of gift of property in respect of which the gift-tax payable exceeds one thousand rupees, the assessee shall be entitled to a deduction from the gift-tax payable by him of an amount equal to the stamp duty so paid or one-half of the sum by which the gift-tax payable, before making the deduction under this section, exceeds one thousand rupees, whichever is less."

72. *Amendment of Act 63 of 1960.*—In the Preference Shares (Regulation of Dividends) Act, 1960,—

(i) in section 2,—

(a) in clause (b), for the words, brackets, figures and letter "clause (7A) of section 2 of the Indian Income-tax Act, 1922 (11 of 1922) and includes a company referred to in sub-clause (ii) of clause (5A)", the following shall be substituted, namely:—

"clause (26) of section 2 of the Income-tax Act, 1961 (43 of 1961) and includes a company referred to in sub-clause (ii) of clause (17)";

(b) in clause (c), the words, figures and letters "having been issued and subscribed for before the 1st day of April, 1960" shall be omitted;

(c) in clause (d), for the words and figures "Indian Income-tax Act, 1922 (11 of 1922), the words and figures "Income-tax Act, 1961 (43 of 1961)", shall be substituted;

(ii) in section 3,—

(a) in sub-section (1) and in sub-section (3), after the words "preference share of a company", the words, figures and letters "issued and subscribed for before the 1st April, 1960" shall be inserted;

(b) in sub-section (2), after the words, figures and letters "after the 31st March, 1959", the words, figures and letters "and before the 1st April, 1960" shall be inserted;

(c) in sub-section (4), after the words "preference share", the words, figures and letters "issued and subscribed for before the 1st April, 1960" shall be inserted;

(d) in sub-section (6),—

(i) after the words "in this section", the words, figures and letter "and section 4A" shall be inserted;

(ii) for the words, brackets, figures and letter "sub-section (3D) of section 18 of the Indian Income-tax Act, 1922 (11 of 1922)", the words and figures "section 194 of the Income-tax Act, 1961 (43 of 1961)" shall be substituted;

(iii) in section 4,—

(a) for the words "Where any preference share has been issued by a company any portion of the profits and gains of which", the following shall be substituted, namely:—

"Where any preference share of a company has been issued and subscribed for before the 1st April, 19 0, and any portion of the profits and gains of the company";

(b) for the words and figures "Indian Income-tax Act, 1922 11 of (1922)", the words and figures "Income-tax Act, 1961 (43 of 1961)" shall be substituted;

(iv) after section 4, the following section shall be inserted, namely:—

"4A. *Deduction of income-tax.*—Where the stipulated dividend in respect of a preference share of a company—

(a) is specified to be subject to income-tax and a deduction is made therefrom on account of the income-tax payable by the company, or

(b) is being paid subject to a deduction therefrom on account of the income-tax payable by the company, notwithstanding the absence of any specification that the dividend would be subject to income-tax, such deduction shall in no case exceed twenty-five per cent of the stipulated dividend."

(v) in section 6, for the words "this Act", the words and figures "section 3 or section 4" shall be substituted.

73. *Amendment of Act 52 of 1963.*—In section 32 of the Unit Trust of India Act, 1963,—

(i) in sub-section (1), for clause (b), the following clause shall be substituted, namely:—

"(b) where in the case of a unit holder, being an individual, the total income for any previous year as computed under the Income-tax Act, 1961 (43 of 1961), before including therein the amount of qualifying dividend—

(i) does not exceed a sum of twenty thousand rupees, the qualifying dividend shall not be included in computing the total income of the unit holder for that year;

(ii) exceeds a sum of twenty thousand rupees, the qualifying dividend shall be included in computing the total income of the unit holder for that year, but he shall be entitled to a deduction from the amount of income-tax payable by him of a sum calculated at the rate of twenty-five per cent on such qualifying dividend.

*Explanation.*—In this section, "qualifying dividend" means, where the income received by a unit holder from the Trust in respect of units does not exceed one thousand rupees, such income, and where such income exceeds one thousand rupees, a sum of one thousand rupees."

(ii) in sub-section (2),—

(a) in clause (a), the word "and" shall be omitted;

(b) in clause (b), after the word "individual", the words "who is resident; and" shall be inserted;

(c) after clause (b), the following clause shall be inserted, namely:—

"(c) deduction of income-tax shall be made by the Trust from the income distributed by it to a unit holder being an individual who is not resident in India at the rate of fifteen per cent of such income."

74. *Amendment of Act. 7 of 1964.*—In the

**Companies (Profits) Surtax Act, 1964,—**

(i) in section 18, the words "and super-tax" shall be omitted;

(ii) in the First Schedule,—

(a) in clause (xii) of rule 1, the words "and super-tax" shall be omitted;

(b) in clause (i) of rule 2, the words "and super-tax", wherever they occur, shall be omitted, and for the word "super-tax" occurring in sub-clause (b), the word "income-tax" shall be substituted;

(iii) in the Third Schedule,—

(a) in Paragraph 1,—

(i) in the first proviso, for the words "of manufacture or production of any one or more of the articles", the words "of construction, manufacture or production of any one or more of the articles or things" shall be substituted;

(ii) in the second proviso, for the words "of manufacture or production of any article", the words "of construction, manufacture or production of any article or thing" shall be substituted;

(iii) after the second proviso, the following proviso shall be inserted, namely:—

"Provided further that where in the case of an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India—

(i) which is such a company as is referred to in section 108 of the Income-tax Act, and

(ii) whose paid up share capital (Subscribed and paid for in cash) as on the last day of the previous year, is not less than twenty-five per cent of the amount of the capital as computed under the Second Schedule to this Act,

the aggregate of—

(a) the amount of income-tax payable by the company in respect of its total income of the previous year under the provisions of the Income-tax Act after making allowance for any relief, rebate or deduction in respect of income-tax to which the company is entitled under the provisions of the said Act or the annual Finance Act after deducting from such amount of income-tax the amount, if any, by which the rebate of income-tax admissible to the company under the provisions of the annual Finance Act is, under the provisions of the said Act, reduced with reference to the face value of any bonus shares or the amount of any bonus issued by the company to its shareholders during the previous year or any previous year prior to that year; and

(b) the amount of surtax computed in accordance with the foregoing provisions of this Paragraph, exceeds the amount calculated at seventy per cent of the total income of the company, the amount of such excess shall be deducted from the amount of surtax referred to in clause (b) above and the balance shall be the amount of the surtax payable by the company;"

(b) for Paragraph 2, the following Paragraph shall

be substituted, namely:—

2. The list of articles and things referred to in Paragraph 1 shall be as follows:—

(1) Iron and steel (metal), ferro-alloys and special steels.

(2) Aluminium, copper, lead and zinc (metals).

(3) Coal, lignite, iron ore, bauxite, manganese ore, dolomite, limestone, magnesite and mineral oil.

(4) Industrial machinery specified under the heading "8. Industrial machinery", sub-heading "A. Major items of specialised equipment used in specific industries", of the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951).

(5) Boilers and steam generating plants, steam engines and turbines and internal combustion engines.

(6) Flame and drip proof motors.

(7) Equipment for the generation and transmission of electricity including transformers, cables and transmission towers.

(8) Machine tools and precision tools (including their attachments and accessories, cutting tools and small tools), dies and jigs.

(9) Tractors, earth-moving machinery and agricultural implements.

(10) Motor trucks and buses.

(11) Steel castings and forgings and malleable iron and steel castings.

(12) Cement and refractories.

(13) Fertilisers, namely, ammonium sulphate, ammonium sulphate nitrate (double salt), ammonium nitrate, calcium ammonium nitrate (nitro-lime stone), ammonium chloride, super phosphate, urea and complex fertilisers of synthetic origin containing both nitrogen and phosphorus, such as ammonium phosphates, ammonium sulphate phosphate and ammonium nitro phosphate.

(14) Soda ash.

(15) Pesticides.

(16) Paper and pulp.

(17) Tea.

(18) Electronic equipment, namely, radar equipment, computers, electronic accounting and business machines, electronic communication equipment, electronic control instruments and basic components, such as valves, transistors, resistors, condensers, coils, magnetic materials and micro wave components.

(19) Petrochemicals including corresponding products manufactured from other basic raw materials like calcium carbide, ethyl alcohol or hydrocarbons from other sources.

- (20) Ships.
- (21) Automobile ancillaries.
- (22) Seamless tubes.
- (23) Gears.
- (24) Ball, roller and tapered bearings.
- (25) Component parts of the articles mentioned in items Nos. (4), (5), (7) and (9), that is to say, such parts as are essential for the working of the machinery referred to in the items aforesaid and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose and are in complete finished form and ready for fitment.
- (26) Cotton seed oil.

75. *Amendment of Act 32 of 1934.*—The Indian Tariff Act, 1934 (hereinafter referred to as the Tariff Act) shall be amended in the manner specified in the Third Schedule.

76. *Surcharge on duties of customs.*—(1) In the case of goods chargeable with a duty of customs which is specified in the First Schedule to the Tariff Act as amended by this Act or any subsequent Act of Parliament, or in that Schedule read with any notification of the Central Government for the time being in force, there shall be levied and collected as an addition to, and in the same manner as, the total amount so chargeable, a sum equal to 10 per cent of such amount:

Provided that in computing the total amount so chargeable, any duty chargeable under section 2A of the Tariff Act or section 77 of this Act shall not be included.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1966 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897), shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

77. *Regulatory duty of customs.*—(1) With a view to regulating, or bringing greater economy in, imports there shall be levied and collected, with effect from such date, and at such rate, as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all or any of the goods mentioned in the First Schedule to the Tariff Act as amended by this Act or any subsequent Act of Parliament, a regulatory duty of customs not exceeding—

- (a) 25 per cent of the rate if any, specified in the said First Schedule read with any notification issued under section 3A or sub-section (1) of section 4 of the Tariff Act; or
- (b) 10 per cent of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act, 1962 (52 of 1962),

whichever is higher:

Provided that different dates and different rates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 15th day of May, 1966 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The regulatory duty of customs leviable under this

section in respect of any goods referred to in sub-section (1) shall be in addition to any other duty of customs chargeable on such goods under the Customs Act, 1962 (52 of 1962).

(4) The provisions of the Customs Act, 1962 (52 of 1962), and the rules and regulations made thereunder, including those relating to refunds and exemptions from shall, as far as may be, apply in relation to the levy and collection of the regulatory duty of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

(6) All regulatory duties of customs levied under sub-section (1) of section 58 of the Finance Act, 1964 (5 of 1964), shall subject to any notification issued under section 25 of the Customs Act, 1962 (52 of 1962) read with sub-section (4) of the said section 58, continue to have effect until the other provisions of this section come into force.

78. *Amendment of Act 1 of 1949.*—In the Indian Tariff (Amendment) Act, 1949, in section 4 and 5, for the figures "1965", the figures "1966" shall be substituted.

79. *Amendment of Act 1 of 1944.*—In the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act), in the First Schedule,—

(a) in Item No. 4, under "II. Manufactured tobacco—", for sub-item (2), the following sub-item shall be substituted, namely:—

"(2) Cigarettes . . . One hundred per cent *ad valorem*."

(b) in Item No. 26, for the entry in the third column, the entry "Sixty rupees per metric tonne" shall be substituted;

(c) in Item No. 26A, for the entries in the third column against sub-items (1) and (2), the entries "One thousand rupees per metric tonne." and "One thousand and five hundred rupees per metric tonne." shall, respectively, be substituted;

(d) in Item No. 26AA,—

(i) for the entry in the third column against each of the sub-items (i) and (ia), the entry "Forty-five rupees per metric tonne *plus* the excise duty for the time being leviable on steel ingots" shall be substituted;

(ii) for sub-items (ii) and (iii), the following sub-items shall be substituted, namely:—

"(ii) Plates and sheets (including uncoated plates and sheets intended for timing and forms such as ridges, channels, rain water pipes and their fittings made from plates or sheets, but not including plates and sheets after tinning), and hoops, sorts, other than skelp and strips.

(iii) Skelp and strips

Three hundred rupees per metric tonne *plus* the excise duty for the time being leviable on steel ingots;

(e) in Item No. 27,—

(i) for the entry in the second column against sub-item (b), the entry "Manufactures, the following, namely, plates, sheets, circles and strips in any form or size, not otherwise specified," shall be substituted;

(ii) for the entry in the second column against sub-item (c), the entry "Pipes and tubes, other than extruded pipes and tubes" shall be substituted;

(iii) after sub-item (c), the following sub-item shall be inserted, namely:

"(d) Extruded shapes and sections including extruded pipes and tubes. Ten per cent *ad valorem*."

(f) in item No. 28, for the entry in the third column, the entry "Three hundred and seventy-five rupees per metric tonne." shall be substituted.

**80. Special duty of excise on certain goods.**—(1) When goods of the description mentioned in this section chargeable with a duty of excise under the Central Excises Act (as amended by this Act or subsequent Act of Parliament) read with any notification for the time being in force issued by the Central Government in relation to the duty so chargeable, are assessed to duty, there shall be levied and collected

(a) as respects goods comprised in Items Nos. 6, 8, 9, 14D, 22A, 23A except sub-item (1) thereof, 23B, 28, 29, sub-items (2) and (3) of item No. 31 and item No. 32 of the First Schedule to the Central Excises Act, a special duty of excise equal to 10 per cent of the total amount so chargeable on such goods;

(b) as respects goods comprised in Items Nos. 2, 3(1), sub-items 1, 11(2) and 11(3) of item No. 4, Items Nos. 13, 14, 14I, 15, 15A, 15B, 16, 16A, 17, 18A(2), 21, 22, 23, 23A(1), 27, 30, 31(1), 33, sub-items (1), (3a) and (4) of item No. 34 and item No. 37 of that Schedule, a special duty of excise equal to 20 per cent of the total amount so chargeable on such goods; and

(c) as respects goods comprised in Items Nos. 41I(1A), 18, 18A(1), 18B, 20, 29A, 33A, sub-items (2) and 3 of item No. 34 and radiograms comprised in item No. 37A of that Schedule, a special duty of excise equal to 33½ per cent of the total amount so chargeable on such goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1966, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excise Act or any other law for the time being in force and such special duties shall be levied for purposes of the Union and the proceeds thereof shall not be distributed among the States.

(4) The provisions of the Central Excises Act and the

rules made thereunder, including those relating to refunds and exemptions from duties, shall as far as may be, apply in relation to the levy and collection of the duty of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules.

**81. Regulatory duty of excise.**—(1) With a view to regulating or bringing greater economy in consumption, there shall be levied and collected, with effect from such date, and at such rate, as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all or any of the goods mentioned in the First Schedule to the Central Excises Act as amended by this Act or any subsequent Act of Parliament, a regulatory duty of excise which shall not exceed 15 per cent of the value of the goods as determined in accordance with the provisions of section 4 of the Central Excises Act:

Provided that different dates and different rates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 15th day of May, 1966, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force and such regulatory duties shall be levied for purposes of the Union and the proceeds thereof shall not be distributed among the States.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the regulatory duty of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

(6) All regulatory duties of excise levied under sub-section (1) of section 62 of the Finance Act, 1964 (5 of 1964), shall, subject to any notification issued under rule 8 of the Central Excises Rules, 1944, read with sub-section (4) of the said section, continue to have effect until the other provisions of this section come into force.

**82. Discontinuance of salt duty.** For the year beginning on the 1st day of April, 1965, no duty under the Central Excises Act, or the Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

**83. Amendment of Act 58 of 1957.** In the First Schedule to the Additional Duties of Excise (Goods of Special Importance) Act, 1957, in item No. 4, under "II. Manufactured tobacco", for sub-item (2), the following sub-item shall be substituted, namely:

"(2) Cigarettes. Twenty-five per cent *ad valorem*".

## THE FIRST SCHEDULE

(See section 2)

### PART I

*Income-tax and surcharge on income-tax*  
*Paragraph A*

In the case of every individual or Hindu undivided



family or unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies—

*Rates of income-tax*

- |  |   |
|--|---|
| (1) where the total income does not exceed Rs. 5,000                         | 5 per cent of the total income.   |
| (2) where the total income exceeds Rs. 5,000 but does not exceed Rs. 10,000  | Rs. 250 plus 10 per cent of the amount by which the total income exceeds Rs. 5,000.     |
| (3) where the total income exceeds Rs. 10,000 but does not exceed Rs. 15,000 | Rs. 750 plus 15 per cent of the amount by which the total income exceeds Rs. 10,000.    |
| (4) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000 | Rs. 1,500 plus 20 per cent of the amount by which the total income exceeds Rs. 15,000.  |
| (5) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000 | Rs. 2,500 plus 30 per cent of the amount by which the total income exceeds Rs. 20,000.  |
| (6) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000 | Rs. 4,000 plus 40 per cent of the amount by which the total income exceeds Rs. 25,000.  |
| (7) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000 | Rs. 6,000 plus 50 per cent of the amount by which the total income exceeds Rs. 30,000.  |
| (8) where the total income exceeds Rs. 50,000 but does not exceed Rs. 70,000 | Rs. 16,000 plus 60 per cent of the amount by which the total income exceeds Rs. 50,000. |
| (9) where the total income exceeds Rs. 70,000                                | Rs. 28,000 plus 65 per cent of the amount by which the total income exceeds Rs. 70,000. |

Provided that for the purposes of this Paragraph, in the case of a person, not being a non-resident—

(i) no income-tax shall be payable on a total income not exceeding the following limit, namely:—

(a) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of following two conditions, namely:—

(i) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(ii) that it has at least two members entitled to claim partition who are not lineally descended one from the other and are not lineally descended from any other living members of the family;

(b) Rs. 3,000 in every other case;

(ii) where such person is an individual or a Hindu undivided family, the income-tax computed at the rate herein before specified shall be reduced by so much of the amount specified hereunder, as does not exceed the amount of income-tax so computed:—

- |             |   |
|-------------|---|
| (a) Rs. 100 | in the case of an unmarried individual;   |
| (b) Rs. 175 | in the case of a married individual who has no child wholly or mainly dependent on him or a Hindu undivided family which has no minor coparcener;   |
| (c) Rs. 195 | in the case of a married individual who has one child wholly or mainly dependent on him or a Hindu undivided family which has one minor coparcener wholly or mainly supported from the income of such family;                     |
| (d) Rs. 215 | in the case of a married individual who has more than one child wholly or mainly dependent on him or a Hindu undivided family which has more than one minor coparcener wholly or mainly supported from the income of such family; |
- (iii) where the total income is twenty thousand rupees or less, the income-tax payable shall not exceed forty per cent of the amount by which the total income exceeds the limit specified in sub-clause (a) or, as the case may be, sub-clause (b) of clause (i) of this proviso.

*Surcharge on income-tax*

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge for purposes of the Union, which shall be equal to the aggregate of the sums computed as hereunder:—

(a) where—

(i) in the case of an individual or a Hindu undivided family, the amount of unearned income, not being income by way of interest on any security of the Central or State Government or income received in respect of units from the Unit Trust of India under the Units Trust of India Act, 1963, (52 of 1963), included in the total income, or

(ii) in any other case, the amount of unearned income included in the total income.

exceeds Rs. 15,000.

a sum calculated on the difference between the amount of income-tax computed in respect of the income referred to in sub-clause (i) or, as the case may be, sub-clause (ii), if such income had been the total income and the amount of income-tax computed in respect of an income of Rs. 15,000 if it had been the total income at the following rate, namely:—

- |   |  |
|---|--|
| (1) where the amount of the difference does not exceed Rs. 14,500 | 20 per cent of the amount of such difference.  |
| (2) where the amount of the difference exceeds Rs. 14,500         | Rs. 2,900 plus 25 per cent of the amount by which the difference aforesaid exceeds Rs. 14,500. |

(b) where—

(i) in the case of an individual or a Hindu undivided family, the earned income and income by way of interest on any security of the Central or State Government

and income received in respect of units from the Unit Trust of India under the Unit Trust of India Act, 1963. (52 of 1963) included in the total income. or

(ii) in any other case, the earned income included in the total income

exceeds Rs. 1 lakh,

a sum calculated on the amount of the difference between the income-tax computed in respect of the income referred to in sub-clause (i) or, as the case may be, sub-clause (ii), if such income had been the total income and the income-tax computed in respect of a total income of Rs. 1 lakh, at the following rate, namely:—

- |  |  |
|--|--|
| (1) where the amount of the difference does not exceed Rs. 65,000                          | 5 per cent of the amount of such difference.   |
| (2) where the amount of the difference exceeds Rs. 65,000 but does not exceed Rs. 1,30,000 | Rs. 3,250 plus 10 per cent of the amount by which the difference aforesaid exceeds Rs. 65,000.   |
| (3) where the amount of the difference exceeds Rs. 1,30,000                                | Rs. 9,750 plus 10 per cent of the amount by which the difference aforesaid exceeds Rs. 1,30,000. |

#### Paragraph B

In the case of every association of persons being a co-operative society as defined in clause (19) of section 2 of the Income-tax Act,—

#### Rate of Income-tax

- |  |  |
|--|--|
| (1) where the total income less not exceeds Rs. 5,000.                       | 5 per cent of the total income.  |
| (2) where the total income exceeds Rs. 5,000 but does not exceed Rs. 10,000  | Rs. 250 plus 10 per cent of the amount by which the total income exceeds Rs. 5,000.    |
| (3) where the total income exceeds Rs. 10,000 but does not exceed Rs. 15,000 | Rs. 750 plus 15 per cent of the amount by which the total income exceeds Rs. 10,000.   |
| (4) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000 | Rs. 1,500 plus 20 per cent of the amount by which the total income exceeds Rs. 15,000. |
| (5) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000 | Rs. 2,500 plus 25 per cent of the amount by which the total income exceeds Rs. 20,000. |
| (6) where the total income exceeds Rs. 25,000                                | Rs. 3,750 plus 41 per cent of the amount by which the total income exceeds Rs. 25,000. |

Provided that—

- (i) no income-tax shall be payable on a total income not exceeding Rs. 3,000; and
- (ii) where the total income is twenty thousand rupees or less, the income-tax payable shall not exceed forty per cent of the amount by which the total income exceeds Rs. 3,000.

#### Surcharge on income-tax

Where the total income exceeds Rs. 25,000 the amount

of income-tax on such total income computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union of 6½ per. cent of the amount of the difference between the income-tax so computed and the income-tax computed in respect of a total income of Rs. 25,000.

#### Paragraph C

In the case of every registered firm,—

#### Rates of income-tax

- |  |  |
|--|--|
| (1) where the total income does not exceed Rs. 25,000                          | Nil.   |
| (2) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000.  | 6 per cent of the amount by which the total income exceeds Rs. 25,000.                   |
| (3) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 | Rs. 1,500 plus 8 per cent of the amount by which the total income exceeds Rs. 50,000.    |
| (4) where the total income exceeds Rs. 1,00,000                                | Rs. 5,500 plus 12 per cent of the amount by which the total income exceeds Rs. 1,00,000. |

#### Surcharge on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union of twenty per cent of the amount of income-tax.

Provided that in the case of a registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent of such total income, the amount of surcharge for purposes of the Union computed at the rate hereinbefore specified shall be reduced by one-half of such amount.

#### Paragraph D

In the case of every local authority,—

#### Rate of income-tax

On the whole of the total income ... 45 per cent.

#### Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of ten per cent of the amount of income-tax.

#### Paragraph E

In the case of the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956),—

#### Rate of income-tax

On the whole of its profits and gains from life insurance business ... 47.5 per cent.

#### Paragraph F

In the case of every company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956),—



*Rate of income-tax*

On the whole of the total income 80 per cent;  
Provided that a rebate shall be allowed in the case of such companies on such income at such rate or rates as are specified hereunder:—

Income on which rebate is to be allowed	Rate of rebate
I. In the case of a company which—	
(a) in respect of its income liable to income-tax under the Income-tax Act for the assessment year commencing on the 1st day of April, 1965, has made the prescribed arrangements for the declaration and payment within India of the dividends payable out of such income in accordance with the provisions of section 194 of that Act; and (b) is such a company as is referred to in section 108 of the Income-tax Act,—	
(i) where the total income does not exceed Rs. 25,000	on the whole of the total income ... 37.5 per cent.
(ii) where the total income exceeds Rs. 25,000	(a) on so much of the total income as consists of profits and gains attributable to the business of generation or distribution of electricity or of construction, manufacture or production of any one or more of the articles or things specified in the list in Part III of this Schedule ... 35 per cent. (b) on the balance of the total income .. 30 per cent.
II. In the case of a company which—	
(a) satisfies condition (a) of item I hereinabove, and	
(b) is not such a company as is referred to in section 108 of the Income-tax Act,—	
(i) in the case of a company which is wholly or mainly engaged in the business of generation or distribution of electricity or any other form of power or in the construction of ships or in the manufacture or processing of goods or in mining.	(a) on so much of the total income as consists of profits and gains attributable to the business of generation or distribution of electricity or of construction, manufacture or production of any one or more of the articles or things specified in the list in Part III of this Schedule— (i) on so much of the profits and gains aforesaid as do not exceed Rs. 10 lakhs ... 35 per cent. (ii) on the balance of the profits and gains aforesaid ... 26 per cent. (b) on any income other than the profits and gains referred to in (a) hereinabove— (i) on so much of such income as, together with the profits and gains referred to in (a) hereinabove, does not exceed Rs. 10 lakhs ... 30 per cent. (ii) on the balance of such income ... 20 per cent.
(ii) in any other case	(a) on so much of the total income as consists of profits and gains attributable to the business of generation or distribution of electricity or of construction, manufacture or production of any one or more of the articles or things specified in the list in Part III of this Schedule ... 26 per cent. (b) on the balance of the total income ... 20 per cent.
III. In the case of a company which in respect of its income liable to income-tax under the income-tax Act for the assessment year commencing on the 1st day of April, 1965, has not made the prescribed arrangements for the declaration and payment within India of the dividends payable out of such income in accordance with the provisions of section 194 of that Act	(a) on so much of the total income as consists of royalties received from an Indian concern in pursuance of an agreement made by it with the Indian concern on or after the 1st day of April, 1961, and which has been approved by the Central Government ... 30 per cent. (b) on so much of the total income as consists of fees for rendering technical services received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 29th day of February, 1964 and which has been approved by the Central Government ... 30 per cent. (c) on the balance of the total income ... 15 per cent.

*Rate of income-tax*

Provided further:

(i) the amount of rebate arrived at under the preceding

(ii) the amount of rebate arrived at under the preceding aggregate of the amounts, as the case may be, computed as hereunder:—

(a) on the aggregate of the sums at the rate 100  
computed in the manner provid- per cent.  
ed in clause (i) of the second  
of the First Schedule to the  
Finance Act, 1964 as reduced by  
the amount, if any, which  
is deemed to have been taken  
into account, in accordance with  
clause (ii) of the said proviso,  
for the purpose of reducing the  
rebate mentioned in clause (i) of  
of the said proviso to nil;

(b) on the amount representing at the rate of  
the face value of any bonus 12.5 per cent.  
shares of the amount of any  
bonus issued to its shareholders  
during the previous year with a  
view to increasing the paid-up  
capital except where such bonus  
shares of bonus have been issued  
wholly out of the share premium  
account of the company after  
the 31st day of March, 1964;  
and

(c) in addition, in the case of—

(i) a company as is referred to  
in section 108 of the income-  
tax Act, or

(ii) a company as is referred to  
in clause (iii) of sub-section  
(2) or sub-section (4) of section  
104 of the act, or

(iii) such a company as is exemp-  
ted from the operation of  
section 104 of the said Act by  
a notification issued under the  
provisions of sub-section (3)  
of that section,

which has declared or distributed to its  
share holders during the previous year  
any dividends other than dividends on  
preference shares,

(A) in the case of a company which at the rate of  
since the date of the commence- 7.5 per cent  
ment of its activities has declared  
or distributed any dividends for  
the first time during the previous  
year or any one of the  
four previous years immediately  
preceding such previous year—  
on that part of the dividends  
other than dividends on prefe-  
rence shares which exceeds ten  
per cent of the paid-up equity  
capital.

(B) in any other case

on the whole amount of the dividends per cent; at  
the rate of other than dividends on preference  
shares.

(ii) where the sum arrived at in accordance with  
clause (i) of this proviso exceeds the amount of  
the rebate arrived at under the preceding proviso,  
only so much of the amounts of reduction mention-  
ed in sub-clauses (a), (b) and (c) of clause (i) of this  
proviso as is sufficient, in that order, to reduce the  
rebate to nil shall be deemed to have been taken  
into account for the purpose;

Provided further that the income-tax payable by a  
company, as is referred to in section 108 of the Income-  
tax Act, and the total income of which exceeds Rs. 25,000,  
shall not exceed the aggregate of—

(a) the income-tax which would have been payable  
by the company if its total income had been  
Rs. 25,000 (the income of Rs. 25,000 for this  
purpose being computed as if such income included  
income from various sources in the same propor-  
tion as the total income of the company); and

(b) eighty per cent of the amount by which its total  
income exceeds Rs. 25,000.

*Explanation 1.*—For the purposes of this Paragraph,  
a company shall be deemed to be mainly engaged in the  
business of generation or distribution of electricity or  
any other form of power or in the construction of ships  
or in the manufacture or processing of goods or in mining,  
if the income attributable to any of the aforesaid activities  
included in its total income for the previous year is not  
less than fifty one per cent of such total income.

*Explanation 2.*—For the purposes of this paragraph,  
where a part of the income of a company is not included  
in its total income because it is agricultural income,  
the amount declared or distributed as dividends (other  
than dividends on preference shares), the amount repre-  
senting the face value of any bonus shares and the amount  
of any bonus issued to its shareholders shall each be  
deemed to be such proportion thereof as the sum specified  
in clause (a) bears to the sum specified in clause (b) such  
sums being—

(a) the average amount of the total income of the  
company in the five previous years in which it has  
been in receipt of taxable income immediately  
preceding the relevant previous year; and

(b) the average amount of the total profits and gains  
(excluding capital receipts) of the company for the  
five previous years referred to in clause (a) reduced  
by such allowances as may be admissible under  
the Income-tax Act but which have not been taken  
into account by the company in its profit and  
loss accounts for the said five previous years.

*Explanation 3.*—For the purpose of sub-clause (b) of  
(i) clause of the second proviso, "share premium account"  
means an account forming a separate and identifiable  
part of the reserves of a company to which has been  
transferred a sum equal to the aggregate amount or value  
of the premiums on shares issued by the company.

**Explanation 4.**—For the removal of doubts of it is hereby declared that where any dividends were declared by the company before the commencement of the previous year and are distributed by it during that year, no reduction in the rebate shall be made under sub-clause (c) of clause (i) of the second proviso in respect of such dividends.

**PART II**

*Rates for deduction of tax at source in certain cases*

In every case in which under the provisions of sections 193 to 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to deduction, at the following rates:—

Income-tax	
Rate of income-tax	Rate of surcharge
1. In the case of a person other than a company—	
(a) where the person is resident— on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government);	18 per cent. 2 per cent.
(b) where the person is not resident in India—	
(i) on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government);	Income-tax at 25 per cent and surcharge at 5 per cent of the amount of the income  or income-tax and surcharge on income-tax in respect of the income at the rates prescribed in Paragraph A of Part I of this Schedule, if such income had been the total income, whichever is higher.
(ii) on the income from interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government.	12.5 per cent. 2.5 per cent.
2. In the case of a company—	
(a) where the company is either an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India,— on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government);	20 per cent. Nil.
(b) where the company is neither an Indian company nor a company which has made the prescribed arrangements for the declaration and payment of dividends within India,—	
(i) on the income from dividends payable by an Indian company which is not such a company as is referred to in section 108 of the Income-tax Act and which is wholly or mainly engaged in the business of generation or distribution of electricity or of construction, manufacture or production of any one or more of the articles or things specified in the list in Part III of the Schedule;	15 per cent. Nil.

	Income-tax	
	Rate of income-tax	Rate of sur-charge
(ii) on the income from dividends payable by any other Indian company or any company which has made the prescribed arrangements for the declaration and payment of dividends within India;	25 per cent	Nil.
(iii) on the income from royalties payable by an Indian concern in pursuance of an agreement which is made it by with the Indian concern on or after the 1st day of April, 1961, and which has been approved by the Central Government;	50 per cent	Nil.
(iv) on the income from fees for rendering technical services received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 29th day of February, 1964 and which has been approved by the Central Government;	50 per cent	Nil.
(v) on the income from interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government; and	40 per cent	Nil.
(vi) on any other income	65 per cent	Nil.

## PART III

## List of articles and things

- (1) Iron and steel (metal), ferro-alloys and special steel.
- (2) Aluminium, copper, lead and zinc (metals).
- (3) Coal, lignite, iron ore, bauxite, manganese ore, dolomite, limestone, magnesite and mineral oil.
- (4) Industrial machinery specified under the heading "8 Industrial machinery", sub-heading "A. Major items of specialised equipment used in specific industries", of the First Schedule to the Industries (Development and Regulation Act, 1951 (65 of 1951).
- (5) Boilers and steam generating plants, steam engines and turbines and internal combustion engines.
- (6) Flame and drip proof motors.
- (7) Equipment for the generation and transmission of electricity including transformers, cables and transmission towers.
- (8) Machine tools and precision tools (including their attachments and accessories, cutting tools and small tools), dies, and jigs.
- (9) Tractors, earth-moving machinery and agricultural implements.
- (10) Motor trucks and buses.
- (11) Steel castings and forgings and malleable iron and steel castings.
- (12) Cement and refractories.
- (13) Fertilisers, namely, ammonium sulphate, ammonium sulphate nitrate (duble salt), ammonium nitrate, calcium ammonium nitrate (nitrolime stone), ammonium

chloride, super phosphate, urea and complex fertilisers of synthetic origin containing both nitrogen and phosphorus, such as ammonium phosphates, ammonium sulphate phosphate and ammonium nitrophosphate.

- (14) Soda ash.
- (15) Pesticides.
- (16) Paper and pulp.
- (17) Tea.
- (18) Electronic equipment, namely, radar equipment, computers, electronic accounting and business machines, electronic communication equipment, electronic control instruments and basic components, such as valves, transistors, resistors, condensers, coils, magnetic materials and micro and wave components.
- (19) Petrochemicals including corresponding products manufactured from other basic raw materials like calcium carbide, ethyl alcohol or hydrocarbons from other sources.
- (20) Ships.
- (21) Automobile ancillaries.
- (22) Seamless tubes.
- (23) Gears.
- (24) Ball, roller and tapered bearings.
- (25) Component parts of the articles mentioned in items Nos. (4), (5), (7) and (9), that is to say, such parts as are essential for the working of the machinery referred to in the items aforesaid and have been given for the purpose some special shape or quality which would not be essential for their use for any other purpose and are complete finished from and ready for fitment.
- (26) Cotton seed oil.

## THE SECOND SCHEDULE

(See section 3)

### Dates of Annuity Deposits

- (i) In the case of any depositor whose total income does not exceed Rs. 15,000. *Nil.*
- (ii) In the case of any depositor whose total income exceeds Rs. 15,000 but does not exceed Rs. 20,000—  
5 per cent of the adjusted total income:  
Provided that the annuity deposit to be made shall in no case exceed half the amount by which the total income exceeds Rs. 15,000.

- (iii) In the case of a depositor whose total income exceed Rs. 20,000 but does not exceed Rs. 40,000—  
7½ per cent of the adjusted total income.

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely:—

- (a) an amount calculated at five per cent on so much of the adjusted total income as does not exceed Rs. 20,000;
- (b) one-half of the amount by which the total income exceeds Rs. 20,000.
- (iv) In the case of a depositor whose total income exceeds Rs. 40,000 but does not exceed Rs. 70,000—  
10 per cent of the adjusted total income:

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely:—

- (a) an amount calculated at seven and a half per cent on so much of the adjusted total income as does not exceed Rs. 40,000;
- (b) one-half of the amount by which the total income exceeds Rs. 40,000.
- (v) In the case of depositor whose total income exceeds Rs. 70,000—  
12-1/2 per cent of the adjusted total income:

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely:—

- (a) an amount calculated at ten per cent on so much of the adjusted total income as does not exceed Rs. 70,000;
- (b) one-half of the amount by which the total income exceeds Rs. 70,000.

*Explanation.*—In this Schedule, “total income” means total income computed in the manner laid down in the Income-tax Act without making any allowance under section 2800 of that Act.

## THE THIRD SCHEDULE

(See section 75)

### PART I

In the First Schedule to the Tariff Act,—

- (i) in Item No. 30, for the figures “60” and “50” in the fourth and fifth columns, the figures “75” and “65” shall, respectively, be substituted;
- (ii) in Items Nos. 31, 31(2), 31(3) and 31(5), for the entry against each of them in the fourth column, the entry “100 per cent *ad valorem*” shall be substituted;
- (iii) In Item No. 31(1), for the figures “75” and “65” in the fourth and sixth columns, the figures “100” and “90” shall, respectively, be substituted;
- (iv) in Item No. 44, for the figures “50” in the fourth column, the figures “75” shall be substituted;
- (v) in Item No. 46(3), for the figures “26” in the fourth column, the figures “50” shall be substituted;
- (vi) in Item No. 47 (2), for the entry in the fourth column, the entry “Rs. 10.25 per kilogram or 75 per cent *ad valorem*, whichever is higher” shall be substituted;
- (vii) in Item No. 63(10),—  
(1) for the entry in the fourth column against sub-item (i), the entry “Rs.305.00 per tonne” shall be substituted;
- (2) for the entry in the fourth column against sub-item (ii), the entry “Rs. 325.00 per tonne” shall be substituted; and
- (viii) in Item No. 63 (20A), for the figures “20” in the fourth column, the figures “100” shall be substituted

### PART II

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
1	2	3	4	5	6	7

In the First Schedule to the Tariff Act, in Section VI, after Item No. 28A, the following Item shall be inserted namely:—

“28B	Sodium hydro-sulphite	Preferential Revenue	100 per cent <i>ad valorem</i>	90 per cent <i>ad valorem</i>	90 per cent <i>ad valorem</i>	..”
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## LAW DEPARTMENT

### NOTIFICATION

Simla-2, the 14th August, 1972

No. 11-34/72-LR.—The following Acts recently passed by the Parliament which have already been published in the Gazette of India, Extraordinary part II, section 1, are hereby republished in the Himachal Pradesh Go-

vernment Rajpātra for the information of general public:—

1. The Newspapers (Price Control) Act, 1972 (15 of 1972).
2. The Finance Act, 1972 (16 of 1972).
3. The Departmental Inquiries (Enforcement for Attendance of Witnesses and Production of Documents) Act, 1972 (18 of 1972).



4. The Drugs and Cosmetics (Amendment) Act, 1972 (19 of 1972).
5. The Architects Act, 1972 (20 of 1972).
6. The Maternity Benefit (Amendment) Act, 1972 (21 of 1972).
7. The Cantonments (Extension of Rent Control Laws) Amendment Act, 1972 (22 of 1972).

B. D. SHARMA,  
Secretary.

Assented to on 26th May, 1972.

## THE NEWSPAPERS (PRICE CONTROL) ACT, 1972

(ACT NO. 15 OF 1972)

AN

ACT

*to provide for the control, in the interests of the general public, of the prices of newspapers with a view to ensuring that newspapers continue to function, in the prevailing conditions, as effective mass communication media and for securing their availability at fair prices.*

Be it enacted by Parliament in the Twenty-third Year of the Republic of India as follows:—

1. *Short title, extent and duration.*—(1) This Act may be called the Newspapers (Price Control) Act, 1972.

(2) It extends to the whole of India.

(3) It shall cease to have effect on the expiry of two years from the date of its commencement except as respects things done or omitted to be done before such cesser of operation of this Act and section 6 of the General Clauses Act, 1897, (10 of 1897), shall apply upon such cesser of operation of this Act as if it had been repealed by a Central Act.

2. *Definitions.*—In this Act, unless the context otherwise requires,—

(a) “basic price”, in relation to a newspaper, means the price of the newspaper on the 22nd day of October, 1971 [being the date on which the Stamp and Excise Duties (Amendment) Ordinance, 1971, (16 of 1971), was promulgated] or if the newspaper was not published on that day, its price on the day on which it is first published after that day;

(b) “basic price date”, in relation to a newspaper, means the date with reference to which its basic price is to be ascertained under clause (a);

(c) the expressions “newspaper”, “owner” and “publisher” have the same meanings as in the Press and Registration of Books Act, 1867. (25 of 1867).

3. *Power to fix maximum prices of newspapers.*—(1) If the Central Government is of opinion that for the purpose of securing the availability of any newspapers or any class of newspapers at fair prices, it is necessary

or expedient to do so, the Central Government may, from time to time, by order published in the Official Gazette, determine the maximum prices which may be charged for such newspapers or newspapers of such class as may be specified in the order.

(2) In making under sub-section (1) any order determining the maximum price which may be charged for any newspaper referred to in that sub-section, the Central Government shall have regard to—

(a) the basic price of the newspaper;

(b) the excise duties and other taxes, if any, payable in respect of the newspaper;

(c) any special circumstances arising on or after the basic price date of the newspaper and having a bearing on the cost of the production of newspapers; and

(d) all other relevant circumstances;

Provided that the maximum price determined in respect of a newspaper shall in no case be less than its basic price.

(3) No order shall be made under this section in respect of any newspaper which is being sold at a price not exceeding its basic price.

(4) An order made under sub-section (1) may provide for different maximum prices in respect of different newspapers or different classes of newspapers or different newspapers in each such class and may provide for such incidental and supplemental matters (including the printing in a newspaper to which the order relates of the price thereof in a conspicuous manner) as the Central Government may deem fit.

4. *Review and revision of orders.*—(1) The owner or publisher of a newspaper to which an order under sub-section (1) of section 3 relates may,—

(a) if he is aggrieved by such order, make within thirty days of the date of publication of the order in the Official Gazette, an application to the Central Government for a review of the order setting out in such application the grounds on which he considers such review to be necessary.

(b) whenever fresh circumstances having a bearing on the cost of production of the newspaper arise after the date of making of the order, make an application for a revision of the order within thirty days after the date on which such circumstances have arisen,

and the Central Government may pass such order on the said application for review or revision as it thinks fit:

Provided that the Central Government may for sufficient cause allow any such application to be made after the expiry of the period of thirty days aforesaid.

(2) Save as otherwise provided by an order made under clause (a) or clause (b) of sub-section (1) the order of the Central Government under sub-section (1) of section 3 shall be final.

5. *Power to call for information, return, etc.*—(1) The Central Government or any officer authorised by the Central Government in this behalf may, by order in writing, require the owner or publisher of any newspaper to furnish, within such time as may be specified in the order any information, return or report which the Central Government or such officer may consider necessary for carrying out the purposes of this Act and such owner or publisher shall be bound to comply with such order.

(2) If any owner or publisher contravenes any order under sub-section (1), he shall be punishable with fine which may extend to five hundred rupees.

6. *Prohibition of sale of newspapers in contravention of the order under section 3.*—No newspaper shall be sold in the territories to which this Act extends in contravention of an order made under section 3.

7. *Penalty.*—Whoever sells or causes to be sold a newspaper in contravention of an order made under section 3 shall, on first conviction, be punishable with fine which may extend to one thousand rupees and, on any second or subsequent conviction, with fine which may extend to two thousand rupees.

8. *Offences by companies.*—(1) Where an offence under this Act has been committed by a company, every person who, at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.*—For the purposes of this section,—

- (a) "company" means a body corporate and includes a firm or other association of individuals; and
- (b) "director", in relation to a firm, means a partner in the firm.

9. *Previous sanction of Central Government for prosecution.*—No prosecution shall be instituted against any person in respect of any offence punishable under section 5 or section 7 without the previous sanction of the Central Government or such officer or authority as may be authorised by that Government by order in writing in that behalf.

Assented to on 28th May, 1972

THE FINANCE ACT, 1972

(Act No. 16 OF 1972)

AN

ACT

to give effect to the financial proposals of the Central Government for the financial year 1972-73.

BE it enacted by Parliament in the Twenty-third Year of the Republic of India as follows:—

## CHAPTER I

### PRELIMINARY

1. *Short title and commencement.*—(1) This Act may be called the Finance Act, 1972.

(2) Save as otherwise provided in this Act, sections 2 to 60 shall be deemed to have come into force on the 1st day of April, 1972.

## CHAPTER II

### RATES OF INCOME-TAX

2. *Income-tax.*—(1) Subject to the provisions of sub-

on the 1st day of April, 1972, income-tax shall be charged at the rates specified in Part I of the First Schedule and shall be increased,—

(a) in the cases to which Paragraphs A, B and D of that Part apply by a surcharge for purposes of the Union;

(b) in the cases to which Paragraph C of that Part applies, by a surcharge for purposes of the Union and a special surcharge for purposes of the Union; and

(c) in the cases to which Paragraphs E and F of that Part apply, by a surcharge, calculated in each case in the manner provided therein.

(2) In making any assessment for the assessment year commencing on the 1st day of April, 1972, where the total income of a company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956, (31 of 1956) includes any profits and gains from life insurance business, the income-tax payable by it shall be the aggregate of the income-tax calculated—

(i) on the amount of profits and gains from life insurance business so included, at the rate applicable in the case of the Life Insurance Corporation of India, in accordance with Paragraph E of Part I of the First Schedule, to that part of its total income which consists of profits and gains from life insurance business; and

(ii) on the remaining part of its total income, at the rate applicable to the company on its total income.

(3) In cases to which Chapter XII or section 164 of the Income tax Act, 1961 (43 of 1961), (hereinafter referred to as the Income-tax Act) applies, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter or section, as the case may be.

(4) In cases in which tax has to be deducted under sections 193, 194, 194A, 194B and 195 of the Income-tax Act at the rates in force, the deduction shall be made at the rates specified in Part II of the First Schedule.

(5) In cases in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or deducted under section 192 of the said Act from income chargeable under the head "Salaries" or deducted under sub-section (9) of section 80E of the said Act from any payment referred to in the said sub-section (9) or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed, at the rate or rates in force, such income-tax or, as the case may be, "advance tax" shall be so calculated, charged, deducted or computed at the rate or rates specified in Part III of the First Schedule:

Provided that in respect of any income chargeable to tax under section 164 of the Income-tax Act at the rate of sixty-five per cent, "advance tax" shall be computed at that rate.

(6) For the purposes of this section and the First Schedule.—

(a) "company in which the public are substantially interested" means a company which is such a company as is referred to in section 108 of the Income-tax Act;

(b) "domestic company" means an Indian company, or any other company which, in respect of its income, is liable to income-tax under the Income-

tax Act for the assessment year commencing on the 1st day of April, 1972, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income in accordance with the provisions of section 194 of that Act;

- (c) "industrial company" means a company which is mainly engaged in the business of generation or distribution of electricity or any other form of power or in the construction of ships or in the manufacture or processing of goods or in mining.

*Explanation.*—For the purposes of this clause, a company shall be deemed to be mainly engaged in the business of generation or distribution of electricity or any other form of power or in the construction of ships or in the manufacture or processing of goods or in mining, if the income attributable to any one or more of the aforesaid activities included in its total income of the previous year (as computed before making any deduction under Chapter VIA of the Income-tax Act) is not less than fifty one per cent, of such total income;

- (d) "tax-free security" means any security of the Central Government issued or declared to be income-tax free, or any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government;

- (e) all other words and expressions used in this section and the First Schedule but not defined in this subsection and defined in the Income-tax Act shall have the meanings, respectively, assigned to them in that Act.

### CHAPTER III

#### DIRECT TAXES

##### Income Tax

3. *Amendment of section 2.*—In section 2 of the Income-tax Act,—

- (a) In clause (14), for sub-clause (ii), the following sub-clause shall be substituted with effect from the 1st day of April, 1973, namely:—

"(ii) personal effects, that is to say, movable property (including wearing apparel and furniture, but excluding jewellery) held for personal use by the assessee or any member of his family dependent on him.

*Explanation.*—For the purposes of this sub-clause, "jewellery" includes—

- (a) ornaments made of gold, silver, platinum or any other precious metal or any alloy containing one or more of such precious metals, whether or not containing and precious or semi-precious stone, and whether or not worked or sewn into any wearing apparel;
- (b) precious or semi-precious stones, whether or not set in any furniture, utensil or other article or worked or sewn into any wearing apparel;";
- (b) in clause (24),—

(i) after sub-clause (ii), the following sub-clause shall be inserted with effect from the 1st day of April, 1973, namely:—

"(iii) voluntary contributions received by a trust created wholly or partly for charitable or religious purposes or by an institution established wholly or partly for such purposes, not being contributions made with a specific direction that they shall form part of the corpus of the trust or institution.

*Explanation.*—For the purposes of this sub-clause "trust" includes any other legal obligation;";

- (ii) after sub-clause (viii), the following sub-clause shall be inserted, namely:—

"(ix) any winnings from lotteries, crossword puzzles, races including horse races, card games and other games of any sort or from gambling or betting of any form or nature whatsoever;";

- (c) in clause (37A), in sub-clause (ii), for the figures and letter "194A", the figures and letters "194A, 194B" shall be substituted.

4. *Amendment of section 10.*—In section 10 of the Income-tax Act,—

- (a) for clause (3), the following clause shall be substituted, namely:—

"(3) any receipts which are of a casual and non-recurring nature, not being winnings from lotteries, to the extent such receipts do not exceed one thousand rupees in the aggregate: Provided that this clause shall not apply to—

- (i) capital gains chargeable under the provisions of section 45; or
- (ii) receipts arising from business or the exercise of a profession or occupation; or
- (iii) receipts by way of addition to the remuneration of an employee;";

- (b) in clause (10), with effect from the 1st day of April, 1973,—

(i) for the words "a local authority or a corporation established by a Central, State or Provincial Act", the words "or a local authority" shall be substituted;

(ii) for the portion beginning with the words "or any other gratuity" and ending with the words "whichever is less;", the following shall be substituted, namely:—

"any other gratuity received by an employee on his retirement or on his becoming incapacitated prior to such retirement or on termination of his employment, or any gratuity received by his widow, children or dependents of his death, to the extent it does not, in either case, exceed one-half month's salary for each year of completed service, calculated on the basis of the average salary for the three years immediately preceding the year in which the gratuity is paid, subject to a maximum of twenty-four thousand rupees or fifteen months' salary so calculated, whichever is less;";

- (c) in clause (25), after sub-clause (iii), the following sub-clause shall be inserted with effect from the 1st day of April, 1973, namely:—

"(iv) any income received by the trustees on behalf of an approved gratuity fund;";

5. *Amendment of section 11.*—In section 11 of the Income-tax Act, in clause (c) of sub-section (1), for the words "income from property held under trust", the words "income derived from property held under trust" shall be substituted with effect from the 1st day of April, 1973.

6. *Substitution of new sections for section 12.*—For section 12 of the Income-tax Act, the following sections shall be substituted with effect from the 1st day of April, 1973, namely:—

12. *Income of trusts or institutions from contributions*—Any voluntary contributions received by a trust

created wholly for charitable or religious purposes or by an institution established wholly for such purposes (not being contributions made with a specific direction that they shall form part of the corpus of the trust or institution) shall for the purposes of section 11 be deemed to be income derived from property held under trust wholly for charitable or religious purposes and the provisions of that section and section 13 shall apply accordingly.

12A Conditions as to registration of trusts etc.—The provisions of section 11 and section 12 shall not apply in relation to the income of any trust or institution unless the following conditions are fulfilled, namely:—

(a) the person in receipt of the income has made an application for registration of the trust or institution in the prescribed form and in the prescribed manner to the Commissioner before the 1st day of July, 1973, or before the expiry of a period of one year from the date of the creation of the trust or the establishment of the institution, whichever is later:

Provided that the Commissioner may, in his discretion, admit an application for the registration of any trust or institution after the expiry of the period aforesaid;

(b) where the total income of the trust or institution as computed under this Act without giving effect to the provisions of section 11 and section 12 exceeds twenty-five thousand rupees in any previous year, the accounts of the trust institution for that year have been audited by an accountant as defined in the Explanation below sub-section (2) of section 288 and the person in receipt of the income furnishes along with the return of income for the relevant assessment year the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars as may be prescribed."

7. Amendment of section 13.—In section 13 of the Income-tax Act, with effect from the 1st day of April, 1973,—

(a) in sub-section (1),—

(i) in the opening portion, for the words and figures "Nothing contained in section 11", the words and figures "Nothing contained in section 11 or section 12" shall be substituted;

(ii) the following Explanation shall be inserted at the end, namely:—

"Explanation.—For the purposes of sub-clause (ii) of clause (c), in determining whether any part of the income or any property of any trust or institution is during the previous year used or applied, directly or indirectly, for the benefit of any person referred to in sub-section (3), in so far as such use or application relates to any period before the 1st day of July, 1972, no regard shall be had to the amendments made to this section by section 7 [other than sub-clause (ii) of clause (a) thereof] of the Finance Act, 1972";

(b) in sub-section (2), for clause (g); the following clause shall be substituted, namely:—

"(g) if any income or property of the trust or institution is diverted during the previous year in favour of any person referred to in sub-section (3):

Provided that this clause shall not apply where the income, or the value of the property or, as the case may be, the aggregate of the income and the value of the property, so diverted does not exceed one thousand rupees";

(c) in sub-section (3)—

(i) after clause (c), the following clause shall be inserted, namely:—

"(cc) any trustee of the trust or manager (by whatever name called) of the institution";

(ii) in clause (d), for the words "or member", the words "member, trustee or manager" shall be substituted;

(iii) in clause (e), for the brackets and letter "(c)", the brackets and letters "(c), (cc)" shall be substituted;

(d) in sub-section (4), for the word and figures "section 11", the words and figures "section 11 or section 12" shall be substituted;

(e) for Explanation 1, the following Explanation shall be substituted, namely:—

'Explanation 1.—For the purposes of section 11, 12, 12A and this section, "trust" includes any other legal obligation and for the purposes of this section "relative", in relation to an individual, means—

(i) spouse of the individual;

(ii) brother or sister of the individual;

(iii) brother or sister of the spouse of the individual;

(iv) any lineal ascendant or descendant of the individual;

(v) any lineal ascendant or descendant of the spouse of the individual;

(vi) spouse of a person referred to in sub-clause (ii), sub-clause (iii) or sub-clause (v);

(vii) any lineal descendant of a brother or sister of either the individual or of the spouse of the individual.'

8. Amendment of section 45.—In section 45 of the Income-tax Act for the words, figures and letter "section 53, 54 and 54B" the words, figures and letters "section 53, 54, 54B and 54C" shall be substituted with effect from the 1st day of April, 1973.

9. Insertion of new section 54C.—In the Income-tax Act, after section 54B the following section shall be inserted with effect from the 1st day of April 1973 namely:—

'54C. Capital gain on transfer of jewellery held for personal use not to be charged in certain cases.—Where the capital gain arises from the transfer of a capital asset being jewellery held for personal use by the assessee or any member of his family dependent on him, and the assessee has within a period of six months after such transfer acquired any other jewellery for personal use by the assessee or any member of his family dependent on him, the capital gain shall be dealt with in accordance with the following provisions of this section, that is to say,—

(i) if the cost of the jewellery so acquired is not less than the full value of the consideration received or accruing in respect of the transferred jewellery, the whole

of such capital gain shall not be charged under section 45; or

- (ii) if the cost of the jewellery so acquired is less than the full value of the consideration received or accruing in respect of the transferred jewellery, so much of the capital gain as bears to the whole of the capital gain the same proportion as the cost of the jewellery so acquired bears to the full value of the consideration received or accruing in respect of the transferred jewellery shall not be charged under section 45.

*Explanation.* For the purposes of this section, "jewellery" shall have the same meaning as is assigned to it in the *Explanation* to sub-clause (ii) of clause (14) of section 2.

10. *Amendment of section 56.*—In section 56 of the Income-tax Act, in sub-section (2) after clause (ia), the following clause shall be inserted, namely:—

"(ib) income referred to in sub-clause (ix) of clause (24) of section 2;"

11. *Insertion of new section 74A.*—In the income-tax Act, after section 74, the following section shall be inserted, namely:—

"74A *Losses from certain specified sources falling under the head "Income from other sources."*—(1) Where the net result of the computation made for any assessment in respect of any source falling under the head, "Income from other sources" being a source specified in sub-section (2), is a loss, such loss shall not set off except against income, if any from the same source.

(2) The sources referred to in sub-section (1) are—

- (a) lotteries;
- (b) crossword puzzles;
- (c) races including horse races;
- (d) card games;
- (e) other games of any sort;
- (f) gambling or betting of any form or nature whatever not falling under any of the foregoing clauses.

12. *Amendment of section 75.*—In section 75 of the Income-tax Act, in sub-section (1), for the figures and words "73 and 74", the figures, word and letter "73, 74 and 74A" shall be substituted.

13. *Amendment of section 77.*—In section 77 of the Income-tax Act in clause (a) of sub-clause (2) for the words brackets and figures "or sub-section (1) of section 73", the words brackets figures, and letter "sub section (1) of section 73 or section 74A" shall be substituted.

14. *Amendment of section 80A.*—In section 80A of the Income-tax Act, in sub-section (3) for the word, figures and letters "section 80T," the under figure and letters "section 80T or section 80TT" shall be substituted.

15. *Amendment of section 80B.*—In section 80 B of the Income-tax Act, clause (7), shall be omitted with effect from the 1st day of April, 1973.

16. *Amendment of section 80C.*—In section 80C of the Income-tax Act, with effect from the 1st day of April, 1973,—

- (a) in sub-section (2),—

(i) In clause (a), in sub-clauses (iii) and (iv), the word "or" shall be inserted at the end and after sub-clause (iv) as so amended, the following sub-clause shall be inserted, namely:—

"(v) as a contribution for participation in the Unit-linked Insurance Plan, 1971 (hereafter in this section referred to as the Unit-linked Insurance Plan) made under section 19(1)(cc) of the Unit Trust of India Act, 1963 (52 of 1963);";

(ii) in sub-clause (i) of clause (g), in item (3), the word "or" shall be inserted at the end and after item (3) as so amended, the following item shall be inserted, namely:—

"(4) as a contribution for participation by any one member of such association or body in the Unit-linked Insurance Plan;"

(b) after sub-section (4), the following sub-section shall be inserted, namely:—

"(5) If the assessee participating in the Unit-linked Insurance Plan, or in the case of an assessee being an association of persons or a body of individuals referred to in clause (g) of sub-section (2), the member thereof participating in the Plan, terminates his participation in the Plan (by notice to that effect or where he ceases to participate by reason of failure to pay any contribution, by not reviving his participation) before contributions in respect of such participation have been paid for five years, then—

- (a) no deduction shall be allowed to the assessee under this section in respect of the contributions, if any, paid in the previous year in which the participation is so terminated; and
- (b) the deductions allowed in respect of the contribution paid in the previous year preceding the previous year referred to in clause (a) shall be deemed to be the income of the assessee of that previous year and shall be chargeable to tax accordingly.

*Explanation.*—For the purposes of this sub-section, the deduction allowed under this section in respect of the contribution paid in any previous year shall be the amount by which the deduction allowed under this section for that year exceeds the deduction which would have been allowed for that year if no such contribution had been paid during that year."

17. *Amendment of section 80G.*—In section 80G of the Income-tax Act, in *Explanation 2* below sub-section (5), with effect from the 1st day of April, 1973,—

- (a) in clause (i), for the word and figures "section 11", the words, figures and letter "section 11, section 12 or section 12A" shall be substituted;
- (b) in clause (ii), for the word and figures "section 11", the words and figures "section 11 or section 12", shall be substituted.

18. *Omission of section 80I.*—Section 80I of the Income-tax Act shall be omitted with effect from the 1st day of April, 1973.

19. *Amendment of section 80J.*—In section 80J of the Income-tax Act, with effect from the 1st day of April, 1973,—

- (a) in sub-section (1), for the brackets, words, figures and letters "(reduced by the aggregate of the



deductions, if any, admissible to the assessee under section 80H and section 80I", the brackets, words, figures and letter "(reduced by the deduction, if any admissible to the assessee under section 80H)" shall be substituted;

(b) in sub-section (3), the word, figures and letter "section 80I" shall be omitted.

20. *Amendment of section 80L.*—In section 80L of the Income-tax Act, in sub-section (1), with effect from the 1st day of April, 1973,—

(a) in clause (vii), the word "or" at the end shall be omitted;

(b) in clause (viii), for the words "member of the society", the words "member of the society; or" shall be substituted;

(c) after clause (viii), the following clause shall be inserted, namely:—

"(ix) dividends from any co-operative society,"

21. *Omission of section 80Q.*—Section 80Q of the Income-tax Act shall be omitted with effect from the 1st day of April, 1973.

22. *Insertion of new section 80TT.*—After section 80T of the Income-tax Act, and before the heading "D.—Other deductions", the following section shall be inserted, namely:—

"80TT. *Deduction in respect of winnings from lottery.*

Where the gross total income of an assessee, not being a company, includes any income by way of winnings from any lottery (such income being hereafter in this section referred to as winnings), there shall be allowed, in computing the total income of the assessee, a deduction from the winnings of an amount equal to,—

(a) in a case where the gross total income does not exceed ten thousand rupees or where the winnings do not exceed five thousand rupees, the whole of such winnings;

(b) in any other case, five thousand rupees as increased by a sum equal to fifty per cent of the amount by which the winnings exceed five thousand rupees."

23. *Substitution of new section for section 90.*—For section 90 of the Income-tax Act, the following section shall be substituted, namely:—

"90. *Agreement with foreign countries.*—The Central Government may enter into an agreement with the Government of any country outside India—

(a) for the granting of relief in respect of income on which have been paid both income-tax under this Act and income-tax in that country, or

(b) for the avoidance of double taxation of income under this Act and under the corresponding law in force in that country, or

(c) for exchange of information for the prevention of evasion of avoidance of income-tax chargeable under this Act or under the corresponding law in force in that country, or investigation of cases of such evasion or avoidance, or

(d) for recovery of income-tax under this Act and under the corresponding law in force in that country,

and may, by notification in the Official Gazette, make such provisions as may be necessary for implementing the agreement."

24. *Amendment of section 125.*—In section 125 of the Income-tax Act, in the proviso to sub-section (1), after the figures "228", the figures and letter "228A," shall be

inserted.

25. *Amendment of sections 132A, 201, 213 to 217, 220, 243 and 244 and Second Schedule.*—In section 132A, section 201, sections 213 to 217, section 220, section 243 and section 244 of the Income-tax Act and in rule 60 of the Second Schedule to that Act, for the words "nine per cent", wherever they occur, the words "twelve per cent" shall be substituted.

26. *Amendment of section 139.*—In section 139 of the Income-tax Act,—

(a) in clause (a) of sub-section (1), for the words "six months", the words "four months" shall be substituted;

(b) for the proviso to sub-section (2), the following proviso shall be substituted, namely:—

"Provided that, on an application made in the prescribed manner, the Income-tax Officer may, in his discretion, extend the date for furnishing the return, and, notwithstanding that the date is so extended, interest shall be chargeable in accordance with the provisions of sub-section (8).";

(c) for sub-section (4A), the following sub-section shall be substituted with effect from the 1st day of April, 1973, namely:—

"(4A) Every person in receipt of income derived from property held under trust or other legal obligation wholly for charitable or religious purposes or in part only for such purposes, or of income being voluntary contributions referred to in sub-clause (iia) of clause (24) of section 2, shall if the total income in respect of which he is assessable as a representative assessee (the total income for this purpose being computed under this Act without giving effect to the provisions of sections 11 and 12) exceeds the maximum amount which is not chargeable to income-tax, furnish a return of such income of the previous year in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed and all the provisions of this Act shall, so far as may be, apply as if it were a return required to be furnished under sub-section (1).";

(d) in sub-section (8) (a),—

(i) for the portion beginning with the words, brackets and figure "Where the return under sub-section (1)" and ending with the words "waive the interest payable by any person under this sub-section.", the following shall be substituted, namely:—

Where the return under sub-section (1) or sub-section (2) or sub-section (4) for an assessment year is furnished after the specified date, or is not furnished, then [whether or not the Income-tax Officer has extended the date for furnishing the return under sub-section (1) or sub-section (2)], the assessee shall be liable to pay simple interest at twelve per cent per annum, reckoned from the day immediately following the specified date to the date of the furnishing of the return or, where no return has been furnished, the date of completion of the assessment under section 144, on the amount of the tax payable on the total income as determined on regular assessment, as reduced by the advance tax, if any, paid and any tax

deducted at source:

Provided that the Income-tax Officer may, in such cases and under such circumstances as may be prescribed, reduce or waive the interest payable by any assessee under this sub-section.

**Explanation 1.**—For the purposes of this sub-section, "specified date", in relation to a return for an assessment year, means,—

- (a) in the case of every assessee whose total income, or the total income of any person in respect of which he is assessable under this Act, includes any income from business or profession, the date of the expiry of four months from the end of the previous year or where there is more than one previous year, from the end of the previous year which expired last before the commencement of the assessment year, or the 30th day of June of the assessment year, whichever is later;
- (b) in the case of every other assessee, the 30th day of June, of the assessment year ;
- (ii) the existing *Explanation* shall be re-numbered as *Explanation 2*.

**27. Amendment of section 164.**—In section 164 of the Income-tax Act, with effect from the 1st day of April, 1973,—

- (a) in sub-section (2), for the words and figures "tax shall be charged on so much of the relevant income as is not exempt under section 11", the words, brackets, figures and letter "or which is of the nature referred to in sub-clause (iii) of clause (24) of section 2, tax shall be charged on so much of the relevant income as is not exempt under section 11 of section 12" shall be substituted;
- (b) in sub-section (3), for the words "In a case where the relevant income is derived from property held under trust in part only for charitable or religious purposes", the words, brackets, figures and letter "In a case where the relevant income is derived from property held under trust in part only for charitable or religious purposes or is of the nature referred to in sub-clause (iii) of clause (24) of section 2" shall be substituted.

**28. Insertion of new sections 194B and 194C.**—After section 194A of the Income-tax Act, the following sections shall be inserted, namely:—

"194B. *Winnings from lottery or crossword puzzle.*—

The person responsible for paying to any person any income by way of winnings from any lottery or crossword puzzle in an amount exceeding one thousand rupees shall, at the time of payment thereof, deduct income-tax thereon at the rates in force:

Provided that no deduction shall be made under this section from any payment made before the 1st day of June, 1972.

**194C. *Payments to contractors and sub-contractors.***—(1) Any person responsible for paying any sum to any resident (hereafter in this section referred to as the contractor) for carrying out any work (including supply of labour for carrying out any work) in pursuance of a contract between the contractor and—

- (a) the Central Government or any State Government; or
- (b) any local authority; or
- (c) any corporation established by or under a Central State or Provincial Act; or
- (d) any company,

shall, at the time of credit of such sum to the account of the contractor or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct an amount equal to two per cent of such sum as income tax on income comprised therein.

(2) Any person (being a contractor and not being an individual or a Hindu undivided family) responsible for paying any sum to any resident (hereafter in this section referred to as the sub-contractor) in pursuance of a contract with the sub-contractor for carrying out, or for the supply of labour for carrying out, the whole or any part of the work undertaken by the contractor or for supplying whether wholly or partly any labour which the contractor has undertaken to supply shall, at the time of credit of such sum to the account of the sub-contractor or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct an amount equal to one per cent of such sum as income-tax on income comprised therein.

(3) No deduction shall be made under sub-section (1) or sub-section (2) from—

- (i) any sum credited or paid in pursuance of any contract the consideration for which does not exceed five thousand rupees; or
- (ii) any sum credited or paid before the 1st day of June 1972.

(4) Where the Income-tax officer is satisfied that the total income of the contractor or the sub-contractor justifies the deduction of income-tax at any lower rate or no deduction of income-tax, as the case may be, the Income-tax Officer shall, on an application made by the contractor or the sub-contractor in this behalf, give to him such certificate as may be appropriate.

(5) Where any such certificate is given, the person responsible for paying the sum referred to in sub-section (1) or sub-section (2) shall, until such certificate is cancelled by the Income-tax Officer, deduct income-tax at the rates specified in such certificate or deduct no tax, as the case may be."

**29. Amendment of section 107.**—In section 107 of the Income-tax Act, in clause (a) of sub-section (1), for the figures, letter and word "194 A, 194 B, and 195" shall be substituted.

**30. Amendment of section 198, 199, 200, 202 and 203.**—In section 198, section 199, section 200, section 202 and section 203 of the Income-tax Act, for the words, figures and letter "section 194 A and", the words, figures and letters "section 194 A, section 194B, section 194C and" shall be substituted.

**31. Amendment of section 204.**—In section 204 of the Income-tax Act, after the word, figures and letter "section 194A.", the words, figures and letters "section 194B, section 194C," shall be inserted.

**32. Amendment of section 205.**—In section 205 of the Income-tax Act, for the words, figures and letters "section 194A and", the words, figures and letters "section 194A, section 194B, section 194C and" shall be substituted.

**33. Amendment of section 207.**—In section 207 of the Income-tax Act, in sub-section (1), for the words "in the case of income other than income chargeable under the head "Capital gains";", the following shall be substituted, namely:—

"in the case of income other than—

- (a) income chargeable under the head "Capital gains"; and
- (b) income referred to in sub-clause (ix) of clause (24) of section 2'.

4. *Amendment of section 208.*—In section 208 of the Income-tax Act, in clause (a) of sub-section (1), for the words "exclusive of capital gains", the words, brackets and figures "exclusive of capital gains and income referred to in sub-clause (ix) of clause (24) of section 2," shall be substituted.

5. *Amendment of section 209.*—In section 209 of the Income-tax Act, in clause (a),—

(a) in sub-clause (ii), for the words "amount of capital gains", the words, brackets and figures "the amount of capital gains and income referred to in sub-clause (ix) of clause (24) of section 2" shall be substituted;

(b) in sub-clause (iii), for the words, figures and letter "section 194A and", the words, figures and letters "section 194A, section 194C and" shall be substituted.

36. *Amendment of section 211.*—In section 211 of the Income-tax Act, in the *Explanation* below sub-section (1), for the words "by the capital gains", the words bracket and figures "by the amount of capital gains and income referred to in sub-clause (ix) of clause (24) of section 2" shall be substituted.

37. *Amendment of section 212.*—In section 212 of the Income-tax Act, in sub-section (1), for the brackets and words "(exclusive of capital gains, if any)", the brackets words and figures "(exclusive of capital gains and income referred to in sub-clause (ix) of clause (24) of section 2, if any)" shall be substituted.

38. *Amendment of section 215.*—In section 215 of the Income-tax Act, in sub-section (5), for the words, figures and letter "section 194A," the words, figures and letters "section 194A, section 194C," shall be substituted.

39. *Insertion of new section 228A.*—After section 228 of the Income-tax Act, the following section shall be inserted, namely:—

"228A *Recovery of tax in pursuance of agreements with foreign countries.*(1) Where an agreement is entered into by the Central Government with the Government of any country outside India for recovery of income-tax under this Act and the corresponding law in force in that country and the Government of that country or any authority under that Government which is specified in this behalf in such agreement sends to the Board a certificate for the recovery of any tax due under such corresponding law from a person having any property in India the Board may forward such certificate to any Tax Recovery Officer within whose jurisdiction such property is situated and thereupon such Tax Recovery Officer shall,—

(a) Proceed to recover the amount specified in the certificate in the manner in which he would proceed to recover the amount specified in a certificate received from an Income-tax Officer; and

(b) remit any sum so recovered by him to the Board after deducting his expenses in connection with the recovery proceedings.

(2) Notwithstanding the issue of a certificate under section 222 to the Tax Recovery Officer, where an assessee is in default or is deemed to be in default in making a payment of tax, the Income-tax Officer may, if the assessee has property in a country outside India (being a country with which the Central Government has entered into an agreement for the recovery of income-tax under this Act and the corresponding law in force in that country), forward to the Board a certificate spe-

cifying the amount of arrears due from the assessee and the Board may take such action thereon as it may deem appropriate having regard to the terms of the agreement with such country."

40. *Amendment of section 252.*—In section 252 of the Income-tax Act, after sub-section (3), the following sub-sections shall be inserted, namely:—

"(4) The Central Government may appoint one more members of the Appellate Tribunal to be the Vice-President or, as the case may be, Vice-Presidents thereof.

(5) A Vice-President shall exercise such of the powers and perform such of the functions of the President as may be delegated to him by the President by a general or special order in writing."

41. *Amendment of section 295.*—In section 295 of the Income-tax Act, in sub-section (2), after clause (m), the following clause shall be inserted, namely:—

"(mm) the circumstances in which, the conditions subject to which and the manner in which, the Appellate Assistant Commissioner may permit an appellant to produce evidence which he did not produce or which he was not allowed to produce before the Income-tax Officer;"

42. *Amendment of Fourth Schedule.*—In the Fourth Schedule to the Income-tax Act, in Part C, for the brackets, words and figures "[See sections 2 (5), 17 (1) (iii), 36 (1) (v)]", the brackets, words and figures "[See sections 2 (5), 10 (25) (iv), 17 (1) (iii), 36 (1) (v)]" shall be substituted with effect from the 1st day of April, 1973.

43. *Omission of Sixth Schedule.*—The Sixth Schedule to the Income-tax Act shall be omitted with effect from the 1st day of April, 1973.

#### Wealth-tax

44. *Amendment of section 2.*—In section 2 of the Wealth-tax Act, 1957 (hereinafter referred to as the Wealth-tax Act (27 of 1957)),—

(a) after clause (h), the following clause shall be, and shall be deemed always to have been inserted, namely:—

"(ha) "co-operative society" means a co-operative society registered under the Co-operative Societies Act, 1912 (2 of 1912) or under any other law for the time being in force in any State for the registration of co-operative societies;"

(b) existing clause (ha) shall be deemed to have been re-lettered as clause (hb) with effect from the 1st day of April, 1965.

45. *Amendment of section 5.*—In section 5 of the Wealth-tax Act,—

(a) in sub-section (1),—

(i) after clause (xviiia), the following clauses shall be, and shall be deemed always to have been, inserted, namely:—

"(xviiib) any property held by the trustees on behalf of any provident fund to which the Provident Funds Act, 1925 (19 of 1925) applies or which is a recognised provident fund within the meaning of clause (38) of section 2 of the Income-tax Act;

(xviic) any property held by the trustees on behalf of any gratuity fund which is an approved gratuity fund within the meaning of clause (5) of section 2 of the Income-tax Act;

(xviid) any property held by the trustees on behalf of any superannuation fund which is an approved superannuation fund

within the meaning of clause (6) of section 2 of the Income-tax Act;";

- (ii) after clause (xxx), the following clauses shall be inserted with effect from the 1st day of April, 1973, namely:—

“(xxxii) the value, as determined in the prescribed manner, of assets (not being any land or building or any rights in any land or building or any asset referred to in any other clause of this sub-section) forming part of an industrial undertaking belonging to the assessee.

*Explanation.*—For the purposes of this clause and clause (xxxii), the term “industrial undertaking” means an undertaking engaged in the business of generation or distribution of electricity or any other form of power or in the construction of ships or in the manufacture or processing of goods or in mining;

(xxxiii) the value, as determined in the prescribed manner, of the interest of the assessee in the assets (not being any land or building or any rights in any land or building or any asset referred to in any other clause of this sub-section) forming part of an industrial undertaking belonging to a firm or an association of persons of which the assessee is a partner, or, as the case may be, a member.”;

- (b) in sub-section (1A), for the brackets, figures and word “(xxxviii) and (xxix)”, the brackets, figures and word “(xxviii), (xxix), (xxxii) and (xxxiii)” shall be substituted with effect from the 1st day of April, 1973;

- (c) in sub-section (3), after the proviso, the following *Explanation* shall be inserted with effect from the 1st day of April, 1973, namely:—

“*Explanation.*—For the purposes of clause (a) or clause (b) of this sub-section, in computing the period of six months in relation to any asset (not being any share or security held as stock-in-trade for the purposes of the business of the assessee) in a case where such asset (hereafter in this *Explanation* referred to as the relevant asset) was acquired by the assessee by conversion of, or in exchange for, or with the proceeds of, or with the money constituting, any other asset exempt from wealth-tax under sub-section (1) or sub-section (2), there shall be included, if the assessee acquired the relevant asset within thirty days after he ceased to hold such other asset, so much of the period for which the assessee held such other asset as falls within the period of twelve months ending with the relevant valuation date.”.

46. *Insertion of new section 21A.*—After section 21 of the Wealth-tax Act, the following section shall be inserted with effect from the 1st day of April, 1973, namely:—

“21A. *Assessment in cases of diversion of property, or of income from property, held under trust for public charitable or religious purposes.*—Notwithstanding anything contained in clause (i) of sub-section (1) of section 5, where any property is held under trust for any public purpose of a charitable or religious nature in India; and

- (i) any part of such property or any income of

such trust [whether derived from such property or from voluntary contributions referred to in sub-clause (iia) of clause (24) of section 2 of the Income Tax Act] is used or applied, or

- (ii) any part of the income of the trust [whether derived from such property or from voluntary contributions referred to in sub-clause (iia) of clause (24) of section 2 of the Income-tax Act], being a trust created on or after the 1st day of April, 1962, enures,

directly or indirectly, for the benefit of any person referred to in sub-section (3) of section 13 of the Income-tax Act, wealth-tax shall be leviable upon and recoverable from the trustee or manager (by whatever name called) in the like manner and to the same extent as if the property were held by an individual who is a citizen of India and resident in India for the purposes of this Act and—

- (a) at the rates specified in Part I of the Schedule in the case of an individual; or  
(b) at the rate of one and one-half per cent, whichever course is more beneficial to the revenue:

Provided that in the case of a trust created before the 1st day of April, 1962, the provisions of clause (i) shall not apply to any use or application, whether directly or indirectly, of any part of such property or any income of such trust for the benefit of any person referred to in sub-section (3) of section 13 of the Income-tax Act, if such use or application is by way of compliance with a mandatory term of the trust:

Provided further that in a case where the aggregate of the funds of the trust invested in a concern in which any person referred to in sub-section (3) of section 13 of the Income-tax Act has a substantial interest as provided in *Explanation 3* to that section does not exceed five per cent of the capital of that concern, the exemption under clause (i) of sub-section (1) of section 5 shall not be denied in relation to any property other than such investment, by reason only that the funds of the trust have been invested in a concern in which any person referred to in the aforesaid sub-section (3) has such substantial interest.

*Explanation.*—For the purposes of this section—

- (a) any part of the property of income or a trust shall be deemed to have been used or applied for the benefit of any person referred to in sub-section (3) of section 13 of the Income-tax Act in every case in which it can be so deemed to have been used or applied within the meaning of clause (c) of sub-section (1) of that section at any time during the period of twelve months ending with the valuation date;

- (b) “trust” includes any other legal obligation.”

47. *Amendment of sections 31 and 34A.*—In sections 31 and 34A of the Wealth-tax Act, for the words “nine per cent,” the words “twelve per cent,” shall be substituted.

48. *Amendment of section 32.*—In section 32 of the Wealth-tax Act, for the words and figures “sections 221 or 227”, the words, figures and letter “sections 221 to 227, 228A” shall be substituted.

49. *Amendment of section 44A.*—In section 44A of the Wealth-tax Act, for the portion beginning with the words “The Central Government may” and ending with



the words "for implementing the agreement.", the following shall be substituted, namely:—

"The Central Government may enter into an agreement with the Government of any reciprocating country—

- (a) for the avoidance or relief of double taxation with respect to wealth-tax payable under this Act and under the corresponding law in force in the reciprocating country, or
- (b) for exchange of information for the prevention of evasion or avoidance of wealth-tax chargeable under this Act or under the corresponding law in force in that country or investigation of cases of such evasion or avoidance, or
- (c) for recovery of tax under this Act and under the corresponding law in force in that country,

and may, by notification in the Official Gazette, make such provision as may be necessary for implementing the agreement."

**50. Amendment of section 45.**—In section 45 of the Wealth-tax Act,—

- (a) for the words "The provisions of this Act shall not apply to —", the words "No tax shall be levied under this Act in respect of the net wealth of—" shall be substituted ;
- (b) after clause (f), the following clause shall be, and shall be deemed always to have been, inserted, namely:—

"(g) any co-operative society."

**51. Amendment of section 46.**—In section 46 of the Wealth-tax Act, in sub-section (2), after clause (c), the following clause shall be inserted, namely:—

"(cc) the circumstances in which the conditions subject to which and the manner in which, the Appellate Assistant Commissioner may permit an appellant to produce evidence which he did not produce or which he was not allowed to produce before the Wealth-tax Officer;"

#### Gift-tax

**52. Amendment of section 32 and 33A.**—In sections 32 and 33A of the Gift-tax Act, 1958 (18 of 1958) (hereinafter referred to as the Gift-tax Act), for the words "nine per cent.", the words "twelve per cent." shall be substituted.

**53. Amendment of section 33.**—In section 33 of the Gift-tax Act, for the words and figures "sections 221 to 227", the words, figures and letter "sections 221 to 227, 228A" shall be substituted.

**54. Amendment of section 44.**—In section 44 of the Gift-tax Act, for the portion beginning with the words "The Central Government may" and ending with the words "for implementing the agreement.", the following shall be substituted, namely:—

"The Central Government may enter into an agreement with the Government of any reciprocating country—

- (a) for the avoidance or relief of double taxation with respect to gift-tax payable under this Act and under the corresponding law in force in the reciprocating country, or
- (b) for exchange of information for the prevention of evasion or avoidance of gift-tax chargeable under this Act or under the corresponding law in force in that country or investigation of cases of such evasion or avoidance ; or
- (c) for recovery of tax under this Act and under the corresponding law in force in that country,

and may, by notification in the Official Gazette, make such provision as may be necessary for implementing the agreement."

**55. Amendment of section 45.**—In section 45 of the Gift-tax Act, with effect from the 1st day of April, 1973,—

- (a) in clause (e), for the word and figures "section 11", the words and figures "section 11 or section 12" shall be substituted;
- (b) in *Explanation 3*,—
  - (i) in clause (i), for the word and figures "section 11", the words, figures and letter "section 11 or section 12 or section 12A" shall be substituted;
  - (ii) in clause (ii), for the word and figures "section 11", the words and figures "section 11 or section 12" shall be substituted.

**56. Amendment of section 46.**—In section 46 of the Gift-tax Act, in sub-section (2), after clause (c), the following clause shall be inserted, namely:—

"(cc) the circumstances in which, the conditions subject to which and the manner in which, the Appellate Assistant Commissioner may permit an appellant to produce evidence which he did not produce or which he was not allowed to produce before the Gift-tax Officer;"

#### Surtax

**57. Substitution of new section for section 24A.**—For section 24A of the Companies (Profits) Surtax Act, 1964 (7 of 1964) hereinafter referred to as the Companies (Profits) Surtax Act, the following section shall be substituted, namely:—

"24A. *Agreement with foreign countries.*—The Central Government may enter into an agreement with the Government of any country outside India—

- (a) for the granting of relief in respect of chargeable profits on which have been paid both surtax under this Act and tax of a similar character or income-tax on such profits in that country, or
- (b) for the avoidance of double taxation of chargeable profits under this Act and under any law relating to the taxation of income or profits in force in that country, or
- (c) for exchange of information for the prevention of evasion or avoidance of surtax chargeable under this Act or the tax chargeable under the corresponding law in force in that country or investigation of cases of such evasion or avoidance, or
- (d) for recovery of tax under this Act and under any law relating to the taxation of income or profits in force in that country,

and may, by notification in the Official Gazette, make such provision as may be necessary for implementing the agreement."

**58. Amendment of section 25.**—In section 25 of the Companies (Profits) Surtax Act, in sub-section (2), after clause (c), the following clause shall be inserted, namely:—

"(cc) the circumstances in which the conditions subject to which, and the manner in which, the Appellate Assistant Commissioner may permit an appellant to produce evidence which he did not produce or which he was not allowed to produce before the Income-tax Officer;"

#### Miscellaneous

**59. Certain casual and non-recurring receipts, not to be included in the total income for the assessment year 1972-73.**—Notwithstanding the amendments made by this Act to the Income-tax Act, in computing, in the case of any person, the total income of a previous year



relevant to the assessment year commencing on the 1st day of April, 1972, any income falling within clause (3) of section 10 of the Income-tax Act as it stood immediately before the 1st day of April, 1972, shall not be included.

60. *Applicability of revised rate of interest.*—For the removal of doubts, it is hereby declared that where interest is payable under—

- (a) section 139 of the Income-tax Act or any other provision of that Act referred to in section 25 of this Act; or
- (b) section 31 or section 34A of the Wealth-tax Act; or
- (c) section 32 or section 33A of the Gift-tax Act; or
- (d) section 18 of the Companies (Profits) Surtax Act.

in respect of any period commencing on or before the 31st day of March, 1972 and ending after that date, such interest shall, in respect of so much of such period as falls after that date, be calculated at the rate of twelve per cent per annum.

#### CHAPTER IV INDIRECT TAXES

61. *Amendment of Act 32 of 1934.*—The Indian Tariff Act, 1934 (hereinafter referred to as the Tariff Act) shall be amended in the manner specified in the Second Schedule.

62. *Regulatory duties of customs.*—(1) With a view to regulating or bringing greater economy in imports, there shall be levied and collected with effect from such date, and at such rate as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all or any of the goods mentioned in the First Schedule to the Tariff Act, or in that Schedule as amended from time to time, a regulatory duty of customs which shall not exceed 15 per cent of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act, 1962 (52 of 1962).

Provided that different dates and different rates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 15th day of May, 1973, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897), shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The regulatory duty of customs leviable under this section in respect of any goods referred to in sub-section (1) shall be in addition to any other of duty of customs chargeable on such goods under the Customs Act, 1962. (52 of 1962).

(4) The provisions of the Customs Act, 1962 (52 of 1962), and the rules and regulations made thereunder including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the regulatory duty of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

(6) All regulatory duties of customs levied under

sub-section (1) of section 4 of the Finance Act, 1971 (14 of 1971), and in force immediately before the 18th day of March, 1972, shall, subject to any notification issued under section 25 of the Customs Act 1962, (52 of 1962), read with sub-section (4) of the said section 4, continue to have effect until the date on which the other provisions of this section come into force, and accordingly in sub-section (2) of the said section 4, for the reference to the 15th day of May, 1972, a reference to the date on which the other provisions of this section come into force shall be deemed to be substituted.

63. *Amendment of Act 1 of 1949.*—In the Indian Tariff (Amendment) Act, 1949, in sections 4 and 5, for the figures "1972", the figures "1973" shall be substituted.

64. *Amendment of Act 1 of 1944.*—In the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act),—

- (a) after section 35, the following section shall be inserted, namely:—

"35A. *Revision by Board.*—The Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963 (54 of 1963), may of its own motion or otherwise, call for and examine the record of any proceeding in which any decision or order has been passed under this Act or the rules made thereunder (not being a decision or order passed on appeal under section 35) for the purpose of satisfying itself as to the correctness, legality or propriety of such decision or order and may pass such order thereon as it thinks fit:

Provided that no decision or order shall be varied so as to prejudicially affect any person unless such person is given a reasonable opportunity of making a representation and, if he so desires, of being heard in his defence:

Provided further that no proceedings shall be commenced under this section in respect of any decision or order (whether such decision or order has been passed before or after the coming into force of this section) after the expiration of a period of one year from the date of such decision or order."

- (b) section 36 shall be re-numbered as sub-section (1) thereof, and after sub-section (1) as so re-numbered the following sub-section shall be inserted, namely:—

"(2) The Central Government may, of its own motion or otherwise, call for and examine the record of any proceeding in which any decision or order has been passed under section 35 or section 35A of this Act for the purpose of satisfying itself as to the correctness, legality or propriety of such decision or order and may pass such order thereon as it thinks fit:

Provided that no decision or order shall be varied so as to prejudicially affect any person unless such person is given a reasonable opportunity of making a representation and, if he so desires, of being heard in his defence:

Provided further that no proceedings shall be commenced under this sub-section in respect of any decision or order (whether such decision or order has been passed before or after the coming into force of this sub-section) after the expiration of a period of one year from the date of such decision or order."

(c) the First Schedule shall be amended in the manner specified in the Third Schedule.

**65. Regulatory duties of excise.**—(1) With a view to regulating or bringing greater economy in consumption, there shall be levied and collected, with effect from such date and at such rate as may be specified in this behalf by the Central Government by notification in the Official Gazette on all or any of the goods mentioned in the First Schedule to the Central Excises Act, a regulatory duty of excise which shall not exceed 15 per cent of the value of the goods as determined in accordance with the provisions of section 4 of the Central Excises Act:

Provided that different dates and different rates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 15th day of May, 1973, except as respects things done or omitted to be done before such cesser and section 6 of the General Clauses Act, 1897, (10 of 1897), shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force and such regulatory duties shall be levied for the purposes of the Union and the proceeds thereof shall not be distributed among the States.

(4) The provisions of the Central Excise Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be apply in relation to the levy and collection of the regulatory duties of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

(6) All regulatory duties of excise levied under sub-section (1) of section 7 of the Finance Act, 1971 (14 of 1971), and in force immediately before the 18th day of March, 1972, shall, subject to any notification under rule 8 of the Central Excise Rules, 1944, read with sub-section (4) of the said section, continue to have effect until the date on which the other provisions of this section come into force, and accordingly in sub-section (2) of the said section 7, for the reference to the 15th day of May 1972, a reference to the date on which the other provisions of this section come into force shall be deemed to be substituted.

**66. Amendment of Act 58 of 1957.**—The Additional Duties of Excise (Goods of Special Importance) Act, 1957 hereinafter referred to as the Additional Duties of Excise Act) shall be amended in the manner specified in the Fourth Schedule.

**67. Amendment of Act 27 of 1958.**—The Mineral Products (Additional Duties of Excise and Customs) Act, 1958 (hereinafter referred to as the Mineral Products Act) shall be amended in the manner specified in the Fifth Schedule.

**68. Discontinuance of salt duty.**—For the year beginning on the 1st pay of April, 1972, no duty under the Central Excise Act or the Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

## CHAPTER V

### DELHI SALES TAX

**69. Amendment of Bengal Act VI of 1941 as in force in Delhi.**—In the Bengal Finance (Sales Tax) Act, 1941 as in force in the Union territory of Delhi,—

(a) in section 5, in sub-section (2) in sub-clause (ii) of clause (a), for the words “for use by him as raw materials in the manufacture of goods for sale; and”, the following shall be substituted, namely:—  
“for use by him as raw materials in the manufacture in the Union Territory of Delhi hereafter in this sub-clause referred to as Delhi) of goods (other than goods declared tax free under section 6,—

(A) for sale inside Delhi; or

(B) for sale in the course of inter State trade or commerce, being a sale occasioning or effected by transfer of documents of title to such goods during the movement of such goods from Delhi; or

(C) for sale in the course of export outside India being a sale occasioning the movement of such goods from Delhi, or a sale effected by transfer of documents of title to such goods effected during the movement of such goods from Delhi, to a place outside India and after the goods have crossed the customs frontiers of India; and”;

(b) after section 12, the following sections shall be inserted, namely:—

**12A. Liability in case of transfer of business:—**

Where a dealer liable to pay tax under this Act, transfers his business in whole or in part, by sale, gift, lease, leave or licence, hire or in any other manner whatsoever, the dealer and the person to whom the business is so transferred shall jointly and severally be liable to pay the tax (including penalty) due from the dealer up to the time of such transfer, whether such tax (including penalty) has been assessed before such transfer, but has remained unpaid or is assessed thereafter:

Provided that the liability of the transferee shall be limited to the value of the asset he obtained by such transfer.

**12B. Liability in case of company in liquidation.—**

(1) Every person—

(a) who is a liquidator of any company which is being wound up whether under the orders of a court or otherwise; or

(b) who has been appointed the receiver of any assets of a company, (hereinafter referred to as the liquidator) shall, within thirty days after he has become such liquidator, give notice of his appointment as such to the commissioner.

(2) The commissioner shall after making such enquiries or calling for such information as he may deem fit, notify to the liquidator within three months from the date on which he received notice of appointment of the liquidator the amount which, in the opinion of the Commissioner, would be sufficient to provide for any tax (including any penalty) which is than or is likely thereafter

to become payable by the company under this Act.

- (3) The liquidator shall not part with any of the assets of the company or the properties in his hand until he has been notified by the Commissioner under sub-section (2), and on being so notified the liquidator shall set aside an amount equal to the amount notified and until he so sets aside such amount, he shall not part with any of the assets of the company or the properties in his hand:

Provided that nothing contained in this sub-section shall debar the liquidator from parting with such assets or properties in compliance with any order of a court or for the purpose of the payment of the tax and penalty, if any, payable by the company under this Act or, for making any payment to secured creditors whose debts are entitled under law to priority of payment over debts due to Government on the date of liquidation or for meeting such cost and expenses the winding up of the company as are in the opinion of the Commissioner reasonable.

- (4) If the liquidator fails to give notice in accordance with sub-section (1) or fails to set aside, the amount as required by sub-section (3) or parts with any assets of the company or the properties in his hand in contravention of the provisions of that sub-section, he shall be personally liable for the payment of the tax and penalty, if any, which the company, would be liable to pay under this Act:

Provided that if the amount of any tax (including any penalty) payable by the company is notified under sub-section (2), the personal liability of the liquidator under this sub-section shall be to the extent of such amount.

- (5) Where there are more liquidators than one, the obligations and liabilities attached to the liquidator under this section shall be attached to all the liquidators jointly and severally.
- (6) When any private company is wound up and any tax (including any penalty) assessed under this Act on the company for any period before or in the course of or after its liquidation, cannot be recovered, then every person who was a director of the private company at any time during the period for which the tax is due, shall be jointly and severally liable for the payment of such tax (including penalty) unless he proves to the satisfaction of the Commissioner that non-recovery cannot be attributed to any gross negligence, misfeasance or breach of duty on his part in relation to the affairs of the company.
- (7) The provisions of this section shall have effect notwithstanding anything to the contrary contained in any other law for the time being in force.
- (8) For the purposes of this section, the expressions "company" and "private company" shall have the meanings respectively assigned to them under clauses (i) and (iii) of sub-section (1) of section 3 of the Companies Act, 1956 (1 of 1956).

12C. *Liability of partners of firm to pay tax.*—Not-

withstanding any contract to the contrary, where any firm is liable to pay any tax (including any penalty) under this Act, the firm and each of the partners of the firm shall be jointly and severally liable for such payment:

Provided that where any such partner retires from the firm, he shall intimate the date of his retirement to the Commissioner by a notice in that behalf in writing and he shall be liable to pay tax (including penalty) remaining unpaid at the time of his retirement and any tax (including any penalty) due up to the date of his retirement though unassessed on that date:

Provided further that if no such intimation is given within fifteen days from the date of retirement, the liability of the partner under the first proviso shall continue until the date on which such intimation is received by the Commissioner.

12D. *Liability of guardians, trustees, etc.*—Where the business in respect of which tax is payable under this Act is carried on by, or is in charge of any guardian, trustee or agent of a minor or other incapacitated person on his behalf and for the benefit of such minor or other incapacitated person, the tax shall be levied upon and recoverable from such guardian, trustee or agent, as the case may be, in like manner and to the same extent as it would be assessed upon and recoverable from any such minor or other incapacitated person, if he were of full age and of sound mind and if he were conducting the business himself; and all the provisions of this Act shall, so far as may be, apply accordingly.

12E. *Liability of Court of Wards, etc.*—Where the estate or any portion of the estate of a dealer owing a business in respect of which tax is payable under this Act is under the control of the Court of Wards, the Administrator-General, the Official Trustee or any Receiver or Manager (including any person, whatever be his designation, who in fact manages the business) appointed by or under any order of a court, the tax shall be levied upon and be recoverable from such Court of Wards, Administrator-General, Official Trustee, Receiver or Manager in like manner and to the same extent as it would be assessable upon and be recoverable from the dealer if he were conducting the business himself; and all the provisions of this Act shall, so far as may be, apply accordingly.

12F. *Liability in other cases.*—(1) Where a dealer is a firm or an association of persons or a Hindu undivided family, and such firm, association or family has discontinued business—

- (a) the tax payable under this Act by such firm, association or family up to the date of such discontinuance may be assessed as if no such discontinuance had taken place; and
- (b) every person who was at the time of such discontinuance a partner of such firm or a member of such association or family shall, notwithstanding such disconti-

nuance, be liable jointly and severally for the payment of tax assessed and penalty imposed and payable by such firm, association or family, whether such tax (including penalty) has been assessed prior to or after such discontinuance, and, subject as aforesaid, the provisions of this Act shall, so far as may be, apply as if every such person or partners or member were himself a dealer:

Provided that where the partner of a firm liable to pay such tax (including penalty) dies, the provisions of sub-section (4) shall, so far as may be, apply.

(2) Where a change has occurred in the constitution of a firm or association, the partners or members of the firm or association as it existed before and as it exists after its reconstitution shall, without prejudice to the provisions of section 12C, jointly and severally be liable to pay any tax (including any penalty) due from such firm or association for any period before its reconstitution.

(3) The provisions of sub-section (1) shall, so far as may be, apply where the dealer, being a firm or association of persons is dissolved, or where the dealer, being a Hindu undivided family has effected partition with respect to the business carried on by it and accordingly references in that sub-section to discontinuance shall be treated as references to dissolution or, as the case may be, to partition.

(4) Where a dealer liable to pay tax under this Act dies, then—

(a) if the business carried on by the dealer is continued after his death, by his legal representative or any other person, such legal representative or other person shall be liable to pay the tax (including penalty) due from the dealer under this Act whether such tax (including penalty) has been assessed before his death but has remained unpaid or is assessed after his death;

(b) if the business carried on by the dealer is discontinued after his death, his legal representative shall be liable to pay out of the estate of the deceased, to the extent the estate is capable of meeting the charge, the tax (including penalty) due from the dealer under this Act whether such tax (including penalty) has been assessed before his death but has remained unpaid or is assessed after his death,

and the provisions of this Act, shall, so far as may be, apply to such legal representative or other person as if he were the dealer himself.

**Explanation.**—For the purposes of this sub-section “legal representative” has the meaning assigned to it in clause (11) of section 2 of the Code of Civil Procedure, 1908. (5 of 1908);

(c) in section 17, for the words, “the transferee shall for the purposes of this Act”, the words, figures and letter “then, save as otherwise provided in section 12A, the transferee shall for all the purposes of this Act” shall be substituted.

## THE FIRST SCHEDULE

(See section 2)

### PART I

#### INCOME-TAX AND SURCHARGES ON INCOME-TAX

##### Paragraph A

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

##### Rates of income-tax

(1) where the total income does not exceed Rs. 5,000	Nil;
(2) where the total income exceeds Rs. 5,000 but does not exceed Rs. 10,000	10 per cent of the amount by which the total income exceeds Rs. 5,000;
(3) where the total income exceeds Rs. 10,000 but does not exceed Rs. 15,000	Rs. 500 plus 17 per cent of the amount by which the total income exceeds Rs. 10,000.
(4) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000	Rs. 1,350 plus 23 per cent of the amount by which the total income exceeds Rs. 15,000;
(5) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000	Rs. 2,500 plus 30 per cent of the amount by which the total income exceeds Rs. 20,000.
(6) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000	Rs. 4,000 plus 40 per cent of the amount by which the total income exceeds Rs. 25,000;
(7) where the total income exceeds Rs. 30,000 but does not exceed Rs. 40,000	Rs. 6,000 plus 50 per cent of the amount by which the total income exceeds Rs. 30,000;
(8) where the total income exceeds Rs. 40,000 but does not exceed Rs. 60,000	Rs. 11,000 plus 60 per cent of the amount by which the total income exceeds Rs. 40,000;
(9) where the total income exceeds Rs. 60,000 but does not exceed Rs. 80,000	Rs. 23,000 plus 70 per cent of the amount by which the total income exceeds Rs. 60,000;
(10) where the total income exceeds Rs. 80,000 but does not exceed Rs. 1,00,000	Rs. 37,000 plus 75 per cent of the amount by which the total income exceeds Rs. 80,000;
(11) where the total income exceeds Rs. 1,00,000 but does not exceed Rs. 2,00,000	Rs. 52,000 plus 80 per cent of the amount by which the total income exceeds Rs. 1,00,000;
(12) where the total income exceeds Rs. 2,00,000	Rs. 1,32,000 plus 85 per cent of the amount by which the total income exceeds Rs. 2,00,000;

Provided that for the purposes of this Paragraph, in the case of a Hindu undivided family which at any time

during the previous year satisfies either the following two conditions, namely:—

- (a) that it has at least two members entitled to claim partition who are not less than eighteen years of age, or
- (b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family,—
  - (i) no income-tax shall be payable on a total income not exceeding Rs. 7,000;
  - (ii) where the total income exceeds Rs. 7,000 but does not exceed Rs. 7,660, the income-tax payable thereon shall not exceed forty per cent of the amount by which the total income exceeds Rs. 7,000.

#### *Surcharge on income-tax*

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge for purposes of the Union calculated at the following rates, namely:—

- (a) in a case where the total income does not exceed Rs. 15,000 10 per cent;
- (b) in any other case 15 per cent:

Provided that the amount of surcharge payable shall, in no case, exceed the aggregate of the following sums, namely:—

- (i) an amount calculated at the rate of 10 per cent on the amount of income-tax on an income of Rs. 15,000 if such income had been the total income (the income of Rs. 15,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the person concerned); and
- (ii) 40 per cent of the amount by which the total income exceeds Rs. 15,000.

#### *Paragraph B*

In the case of every co-operative society,—

#### *Rates of income-tax*

- (1) where the total income does not exceed Rs. 10,000 15 per cent of the total income;
- (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000 Rs. 1,500 plus 25 per cent of the amount by which the total income exceeds Rs. 10,000;
- (3) where the total income exceeds Rs. 20,000 Rs. 4,000 plus 40 per cent of the amount by which the total income exceeds Rs. 20,000.

#### *Surcharge on income-tax*

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union calculated at the rate of fifteen per cent of such income-tax.

#### *Paragraph C*

In the case of every registered firm,—

#### *Rates of income-tax*

- (1) where the total income does not exceed Rs. 10,000 Nil;
- (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000 4 per cent of the amount by which the total income exceeds Rs. 10,000;
- (3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000 Rs. 600 plus 6 per cent of the amount by which the total income exceeds Rs. 25,000;
- (4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 Rs. 2,100 plus 12 per cent of the amount by which the total income exceeds Rs. 50,000;
- (5) where the total income exceeds Rs. 1,00,000 Rs. 8,100 plus 20 per cent of the amount by which the total income exceeds Rs. 1,00,000.

#### *Surcharges on income-tax*

The amount of income-tax computed at the rate hereinbefore specified shall be increased by the aggregate of surcharges for purposes of the Union calculated as specified hereunder:—

- (a) in the case of a registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent of such total income, a surcharge calculated at the rate of ten per cent of the amount of income-tax computed at the rate hereinbefore specified;
- (b) in the case of any other registered firm, a surcharge calculated at the rate of twenty per cent of the amount of income-tax computed at the rate hereinbefore specified; and
- (c) a special surcharge calculated at the rate of fifteen per cent on the aggregate of the following amounts, namely:—
  - (i) the amount of income-tax computed at the rate hereinbefore specified; and
  - (ii) the amount of the surcharge, calculated in accordance with clause (a), or, as the case may be, clause (b) of this sub-paragraph.

*Explanation.*—For the purposes of this Paragraph, “registered firm” includes an unregistered firm assessed as a registered firm under clause (b) of section 183 of the Income-tax Act.

#### *Paragraph D*

In the case of every local authority,—

#### *Rate of income-tax*

- On the whole of the total income 50 per cent

#### *Surcharge on income-tax*

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union calculated at the rate of fifteen per cent of such income-tax.



### Paragraph E

In the case of the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956, (31 of 1956),—

#### Rates of income-tax

- (i) on that part of its total income which consists of profits and gains from life insurance business 52.5 per cent;
- (ii) on the balance, if any, of the total income, the rate of income-tax applicable, in accordance with paragraph F of this Part, to the total income of a domestic company which is a company in which the public are substantially interested.

#### Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge calculated at the rate of two and a half per cent of such income-tax.

### Paragraph F

In the case of a company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956),—

#### Rates of income-tax

I. In the case of a domestic company—

- (1) where the company is a company in which the public are substantially interested—

(i) in a case where the total income does not exceed Rs. 50,000 income;

(ii) in a case where the total income exceeds Rs. 50,000 55 per cent of the total income;

- (2) where the company is not a company in which the public are substantially interested,—

(i) in the case of an industrial company—

(a) on so much of the total income as does not exceed Rs. 10,00,000. 55 per cent;

(b) on the balance, if any, of the total income 60 per cent;

(ii) in any other case 65 per cent of the total income;

Provided that the income-tax payable by a domestic company, being a company in which the public are substantially interested, the total income of which exceeds Rs. 50,000, shall not exceed the aggregate of—

(a) the income-tax which would have been payable by the company if its total income had been Rs. 50,000 (the income of Rs. 50,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the company); and

(b) eighty per cent of the amount by which its total income exceeds Rs. 50,000.

II. In the case of a company other than a domestic company—

(i) on so much of the total income as consists of—

(a) royalties received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 31st day of March, 1961, or

(b) fees for rendering technical services received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 29th day of February, 1964,

and where such agreement has, in either case, been approved by the Central Government 50 per cent;

(ii) on the balance, if any, of the total income 70 per cent.

#### Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge calculated at the rate of two and a half per cent of such income-tax.

## PART II

### Rates for deduction of tax at sources in certain cases

In every case in which under the provisions of sections 193, 194, 194A, 194B, and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to deduction, at the following rates:—

	Income-tax	
	Rate of income-tax	Rate of surcharge
1. In the case of a person other than a company—		
(a) where the person is resident—		
(i) on income by way of interest other than "Interest on securities"	10 per cent	Nil;
(ii) on income by way of winnings from lotteries and crossword puzzles	30 per cent	4.5 per cent;

	Income-tax			Income-tax	
	Rate of income-tax	Rate of surcharge		Rate of income-tax	Rate of surcharge
(iii) on any other income (excluding interest payable on a tax-free security)	20 per cent	3 per cent;	(iii) on the income by way of fees payable by an Indian concern for rendering technical services in pursuance of an agreement made by it with the Indian concern after the 29th day of February, 1964, and which has been approved by the Central Government	50 per cent	2.5 per cent;
(b) where the person is not resident in India—			(iv) on the income by way of interest payable on a tax-free security	44 per cent	2.2 per cent.;
(i) on the whole income (excluding interest payable on a tax-free security)	Income-tax at 30 per cent and surcharge at 4.5 per cent of the amount of the income.		(v) on any other income	70 per cent	3.5 per cent.
	or				
	income-tax and surcharge on income-tax in respect of the income at the rates prescribed in Paragraph A of Part III of this Schedule, if such income had been the total income, whichever is higher;				
(ii) on the income by way of interest payable on a tax-free security	15 per cent	2.25 per cent.			
<b>2. In the case of a company—</b>					
(a) where the company is a domestic company—					
(i) on income by way of interest other than "Interest on securities"	20 per cent	1 per cent;			
(ii) on any other income (excluding interest payable on a tax-free security)	22 per cent	1 per cent.;			
(b) where the company is not a domestic company—					
(i) on the income by way of dividends payable by any domestic company	24.5 per cent	1.225 per cent;			
(ii) on the income by way of royalties payable by an Indian concern in pursuance of an agreement made by it with the Indian concern after the 31st day of March, 1961, and which has been approved by the Central Government	50 per cent	2.5 per cent.;			

**PART III**

*Rates for calculating or charging income-tax in certain cases, deducting income-tax from income chargeable under the head "Salaries" of any payment referred to in sub-section (9) of section 80E and computing "advance tax".*

In cases in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or deducted under section 192 of the said Act from income chargeable under the head "Salaries" or deducted under sub-section (9) of section 80E of the said Act from any payment referred to in the said sub-section (9) or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed, at the rate or rates in force such income-tax or, as the case may be, "advance tax" (not being "advance tax" in respect of any income chargeable to tax under section 164 of the Income-tax Act at the rate of sixty-five per cent) shall be so calculated, charged, deducted or computed at the following rate or rates:—

**Paragraph A**

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of individuals, whether incorporated or not or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

**Rates of income-tax**

- (1) where the total income does not exceed Rs. 5,000 Nil;
- (2) where the total income exceeds Rs 5,000 but does not exceed Rs. 10,000 10 per cent of the amount by which the total income exceeds Rs. 5,000;
- (3) where the total income exceeds Rs. 10,000 but does not exceed Rs. 15,000 Rs. 500 plus 17 per cent of the amount by which the total income exceeds Rs. 10,000;

- (4) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000 Rs. 1,350 plus 23 per cent of the amount by which the total income exceeds Rs. 15,000;
- (5) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000 Rs. 2,500 plus 30 per cent of the amount by which the total income exceeds Rs. 20,000;
- (6) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000 Rs. 4,000 plus 40 per cent of the amount by which the total income exceeds Rs. 25,000;
- (7) where the total income exceeds Rs. 30,000 but does not exceed Rs. 40,000 Rs. 6,000 plus 50 per cent of the amount by which the total income exceeds Rs. 30,000;
- (8) where the total income exceeds Rs. 40,000 but does not exceed Rs. 60,000 Rs. 11,000 plus 60 per cent of the amount by which the total income exceeds Rs. 40,000;
- (9) where the total income exceeds Rs. 60,000 but does not exceed Rs. 80,000 Rs. 23,000 plus 70 per cent of the amount by which the total income exceeds Rs. 60,000;
- (10) where the total income exceeds Rs. 80,000 but does not exceed Rs. 1,00,000 Rs. 37,000 plus 75 per cent of the amount by which the total income exceeds Rs. 80,000;
- (11) where the total income exceeds Rs. 1,00,000 but does not exceed Rs. 2,00,000 Rs. 52,000 plus 80 per cent of the amount by which the total income exceeds Rs. 1,00,000;
- (12) where the total income exceeds Rs. 2,00,000 Rs. 1,32,000 plus 85 per cent of the amount by which the total income exceeds Rs. 2,00,000;

Provided that for the purposes of this Paragraph, in the case of a Hindu undivided family which at any time during the previous year relevant to the assessment year commencing on the 1st day of April, 1973 satisfies either of the following two conditions, namely:—

- (a) that it has at least two members entitled to claim partition who are not less than eighteen years of age, or
- (b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family,—
  - (i) no income-tax shall be payable on a total income not exceeding Rs. 7,000;
  - (ii) where the total income exceeds Rs. 7,000 but does not exceed Rs. 7,660, the income-tax payable thereon shall not exceed forty per cent of the amount by which the total income exceeds Rs. 7,000.

#### *Surcharge on income-tax*

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge for purposes of the Union calculated at the following rates, namely:—

- (a) in a case where the total income does not exceed Rs. 15,000 10 per cent;

- (b) in any other case 15 per cent :

Provided that the amount of surcharge payable shall, in no case, exceed the aggregate of the following sums, namely:—

- (i) an amount calculated at the rate of 10 per cent on the amount of income-tax on an income of Rs. 15,000, if such income had been the total income (the income of Rs. 15,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the person concerned); and
- (ii) 40 per cent of the amount by which the total income exceeds Rs. 15,000.

#### *Paragraph B*

In the case of every co-operative society,—

#### *Rates of income-tax*

- (1) where the total income does not exceed Rs. 10,000 15 per cent of the total income;
- (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000 Rs. 1,500 plus 25 per cent of the amount by which the total income exceeds Rs. 10,000;
- (3) where the total income exceeds Rs. 20,000 Rs. 4,000 plus 40 per cent of the amount by which the total income exceeds Rs. 20,000.

#### *Surcharge on income-tax*

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union calculated at the rate of fifteen per cent of such income-tax.

#### *Paragraph C*

In the case of every registered firm,—

#### *Rates of income-tax*

- (1) where the total income does not exceed Rs. 10,000 Nil;
- (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000 4 per cent of the amount by which the total income exceeds Rs. 10,000;
- (3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000 Rs. 600 plus 6 per cent of the amount by which the total income exceeds Rs. 25,000;
- (4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 Rs. 2,100 plus 12 per cent of the amount by which the total income exceeds Rs. 50,000;

- (5) where the total income exceeds Rs. 1,00,000

Rs. 8,100 plus 20 per cent of the amount by which the total income exceeds Rs. 1,00,000.

of a domestic company which is a company in which the public are substantially interested.

#### *Surcharges on income-tax*

The amount of income-tax computed at the rate hereinafore specified shall be increased by the aggregate of surcharge for purposes of the Union calculated as specified hereunder:—

- (a) in the case of a registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent of such total income, a surcharge calculated at the rate of 10 per cent of the amount of income-tax computed at the rate hereinafore specified;
- (b) in the case of any other registered firm, a surcharge calculated at the rate of twenty per cent of the amount of income-tax computed at the rate hereinafore specified; and
- (c) a special surcharge calculated at the rate of fifteen per cent on the aggregate of the following amounts, namely:—
  - (i) the amount of income-tax computed at the rate hereinafore specified; and
  - (ii) the amount of the surcharge calculated in accordance with clause (a), or, as the case may be, clause (b) of this sub-paragraph.

*Explanation.*—For the purposes of this Paragraph, “registered firm” includes an unregistered firm assessed as a registered firm under clause (b) of section 183 of the Income-tax Act.

#### *Paragraph D*

In the case of every local authority,—

#### *Rate of income-tax*

On the whole of the total income. 50 per cent.

#### *Surcharge on income-tax*

The amount of income-tax computed at the rate hereinafore specified shall be increased by a surcharge for purposes of the Union calculated at the rate of fifteen per cent of such income-tax.

#### *Paragraph E*

In the case of the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956),—

#### *Rates of income-tax*

- (i) on the part of its total income which consists of profits and gains from life insurance business. 52.5 per cent;
- (ii) on the balance, if any, of the total income the rate of income-tax applicable, in accordance with Paragraph F of this Part, to the total income

#### *Surcharge on income-tax*

The amount of income-tax computed at the rate hereinafore specified shall be increased by a surcharge calculated at the rate of five per cent of such income-tax.

#### *Paragraph F*

in the case of a company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956),—

#### *Rates of income-tax*

1. In the case of a domestic company,—

- (1) where the company is a company in which the public are substantially interested,—
  - (i) in a case where the total income does not exceed Rs. 50,000. 45 per cent of the total income;
  - (ii) in a case where the total income exceeds Rs. 50,000. 55 per cent of the total income;
- (2) where the company is not a company in which the public are substantially interested,—
  - (i) in the case of an industrial company—
    - (a) on so much of the total income as does not exceed Rs. 10,00,000 55 per cent;
    - (b) on the balance, if any, of the total income 60 per cent;
  - (ii) in any other case 65 per cent of the total income;

Provided that the income-tax payable by a domestic company, being a company in which the public are substantially interested, the total income of which exceeds Rs. 50,000 shall not exceed the aggregate of—

- (a) the income-tax which would have been payable by the company if its total income had been Rs. 50,000 (the income of Rs. 50,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the company); and
- (b) eighty per cent of the amount by which its total income exceeds Rs. 50,000.

2. In the case of a company other than a domestic company—

- (i) on so much of the total income as consists of—
  - (a) royalties received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 31st day of March, 1961, or

(b) fees for rendering technical services received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 29th day of February, 1964,

### Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge calculated at the rate of five per cent of such income-tax.

## THE SECOND SCHEDULE (See section 61)

### PART I

In the First Schedule to the Tariff Act, in Item No. 28(28)(b), for each of the entries in the fifth and sixth columns, the entry "60 per cent *ad valorem*" shall be substituted.

### PART II

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
1	2	3	4	5	6	7
In the First Schedule to the Tariff Act, for Item No. 22(5)(b), the following Item shall be substituted, namely:—						
"22(5)	(b) Drugs and medicines containing spirit.	Preferential Revenue.	Rs. 14.40 per litre 60 per cent, <i>ad valorem</i> , whichever is higher <i>plus</i> Rs. 5.00 per litre.	Rs. 14.40 per litre or 60 per cent <i>ad valorem</i> , whichever is higher, <i>plus</i> Rs. 5.00 per litre.	Rs. 14.40 per litre or 60 per cent <i>ad valorem</i> , whichever is higher, <i>plus</i> Rs. 5.00 per litre.	..".

## THE THIRD SCHEDULE

[See section 64(c)]

### PART I

In the First Schedule to the Central Excises Act,—

- (i) in Item No. 1A, for each of the entries in the third column against sub-items (1) and (4), the entry "One rupee per kilogram" shall be substituted;
- (ii) in Item No. 1D, for the entry in the third column, the entry "Twenty per cent *ad valorem*" shall be substituted;
- (iii) in Item No. 2, for the entry in the third column against sub-item (1), the entry "One hundred rupees per quintal" shall be substituted;
- (iv) in Item No. 4,—
  - (a) under "I. Unmanufactured tobacco—", for the entries in the third column against sub-items (1), (2), (3), (4), (5), (6) and (8), the entries "Five rupees.", "Forty rupees.", "Four rupees.", "Four rupees.", "Three rupees.", "Four rupees." and "Fifty paise." shall, respectively, be substituted;
  - (b) under "II. Manufactured tobacco—", for the entry in the third column against sub-item (2), the entry "Two hundred per cent *ad valorem*"

shall be substituted;

- (v) in Item No. 6, for the entry in the third column, the entry "One thousand rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall be substituted;
- (vi) in Item No. 7 for the entry in the third column the entry "Three hundred rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall be substituted;
- (vii) in Item No. 8, for the entry in the third column against each of the sub-items (a) and (b), the entry "Five hundred rupees per kilolitre at fifteen degrees of Centigrade thermometer." shall be substituted;
- (viii) in Item No. 9, for the entry in the third column the entry "Two hundred rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall be substituted;
- (ix) in Item No. 10, for the entry in the third column the entry "One hundred rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall be substituted;
- (x) in Item No. 11, for the entry in the third column against each of the sub-items (1) and (2), the entry "One hundred rupees per metric tonne" shall be substituted;
- (xi) in Item No. 12, for the entry in the third column the entry "One hundred rupees per metric tonne" shall be substituted;



- (xii) in Item No. 14, for the entries in the third column against sub-items I(1)(i), I(1)(ii), I(2), I(3) (i), I(3)(ii), I(3)(iii) I(3)(iv), I(4)(i), I(4)(ii), I(4)(iii), I(4A), I(5), II(i), II (ii), III(i), III(ii) and III(iii), the entries, "Thirty rupees per quintal.", "One hundred rupees per quintal.", "Twenty-five rupees per quintal.", "Forty rupees per quintal.", "Fifty paise per litre.", "One rupee and fifty paise per litre.", "One hundred rupees per quintal.", "Thirty rupees per quintal.", "One rupee per litre.", "Three hundred rupees per quintal.", "One rupee per litre, if in liquid form and thirty rupees per quintal if in any other form.", "Fifty paise per litre.", "Twenty-five paise per litre.", "Two rupees and fifty paise per litre.", "One hundred rupees per quintal." and "Two rupees and fifty paise per litre." shall respectively, be substituted;
- (xiii) in Item No. 14BB, for the entry in the third column, the entry "Twenty per cent *ad valorem*" shall be substituted;
- (xiv) in Item No. 14C, for the entry in the third column, the entry "Twenty rupees per quintal" shall be substituted;
- (xv) in each of the Item Nos. 14D and 14DD, for the entry in the third column, the entry "Twenty per cent *ad valorem*" shall be substituted;
- (xvi) in Item No. 14F, for the entry in the third column, the entry "Thirty per cent *ad valorem*" shall be substituted;
- (xvii) in Item No. 14HH, for the entry in the third column, the entry "Fifteen per cent *ad valorem*" shall be substituted;
- (xviii) in Item No. 15, for the entries in the third column against sub-items I(1), I(2), and II, the entries "Ten per cent *ad valorem*", "Twenty per cent *ad valorem*" and "Ten per cent *ad valorem*" shall, respectively, be substituted;
- (xix) in Item No. 15A, for the entries in the third column against sub-items (1), (2), (3) and (4), the entries "Forty per cent *ad valorem*", "Fifty per cent *ad valorem*" and "fifty per cent *ad valorem*." shall respectively be substituted;
- (xx) in Item No. 16, for the entries in the third column against sub-items (1) and (3), the entries "Fifty per cent *ad valorem*" and "Twenty per cent *ad valorem*" shall, respectively, be substituted;
- (xxi) in Item No. 16A, for the entries in the third column against sub-items (1), (2), (3) and (4), the entries "Fifty per cent *ad valorem*", "Thirty per cent *ad valorem*", "Twenty per cent *ad valorem*" and "Twenty per cent *ad valorem*" shall, respectively, be substituted;
- (xxii) in Item No. 17, for the entries in the third column against sub-items (1), (2), (3) and (4), the entries "Two rupees per kilogram.", "One rupee per kilogram.", "Fifty paise per kilogram." and "One rupee per kilogram." shall, respectively, be substituted;
- xxiii) in Item No. 19,—
- (a) in the second column, in the opening portion,—
- (1) for the brackets, figures and words,—
- "(ii) 40 per cent or more by weight of silk; or
- (iii) 60 per cent or more by weight of rayon or artificial silk; or
- (iii) 60 per cent or more by weight of jute (including Bimlipatam jute or mesta fibre);",

the brackets, figures and words,—

- "(ii) 40 per cent or more by weight of silk;
- (iii) 60 per cent or more by weight of rayon artificial silk; or
- (iv) 50 per cent or more by weight of jute (including Bimlipatam jute or mesta fibre);",
- shall be substituted;
- (2) in the proviso, for the words, brackets and figures "referred to in (i) to (iv)" the words, brackets and figures "referred to in (i) to (iv)" shall be substituted;
- (b) for the entry in the third column against sub-item I(1), the entry "Fifteen per cent *ad valorem*" shall be substituted;
- (xxiv) in Item No. 20,—
- (a) in the second column, in the opening portion,—
- (1) for the brackets, figures and words,—
- "(iii) if it contains no cotton and no artificial silk and less than 40 per cent by weight of silk; or
- (iv) if manufactured on a handloom:",
- the brackets, figures and words,—
- "(iii) if it contains no cotton and no artificial silk and less than 40 per cent by weight of silk;
- (iv) if it contains 50 per cent or more by weight of jute (including Bimlipatam jute or mesta fibre); or
- (v) if manufactured on a handloom:",
- shall be substituted;
- (2) in the proviso, for the words, brackets and figures "referred to in (i) to (iv)", the words, brackets and figures "referred to in (i) to (v)" shall be substituted;
- (b) for the entry in the third column against sub-item (1) the entry "Fifty paise per square metre" shall be substituted;
- (xxv) in Item No. 21, for the entry in the third column against sub-item (1), the entry "Ten per cent *ad valorem*" shall be substituted;
- (xxvi) in Item 22,—
- (a) in the second column, in the opening portion,—
- (1) for the brackets, figures and words,—
- "(iii) if it contains cotton and less than 60 per cent by weight of rayon or artificial silk; or
- (iv) if it contains no cotton and less than 40 per cent by weight of wool and less than 40 per cent by weight of rayon or artificial silk; or
- (v) if it contains 50 per cent or more by weight of jute (including Bimlipatam jute or mesta fibre);",
- the brackets, figures and words,—
- "(iii) if it contains cotton and less than 60 per cent by weight of rayon or artificial silk;
- (iv) if it contains no cotton and less than 40 per cent by weight of wool and less than 40 per cent by weight of rayon or artificial silk; or
- (v) if it contains 50 per cent or more by weight of jute (including Bimlipatam jute or mesta fibre);",

shall be substituted;

(2) in the proviso, for the words, brackets and figures "referred to in (i) to (iv)", the words, brackets and figures "referred to in (i) to (v)" shall be substituted;

(b) for the entry in the third column against sub-item (1), the entry "Twenty per cent *ad valorem* plus rupees five per square metre" shall be substituted;

(xxvii) in Item No. 23, for the entry in the third column, the entry "Twenty-five per cent *ad valorem*" shall be substituted;

(xxviii) in Item No. 23A, for the entries in the third column against sub-item (1) and (2), the entries "Twenty per cent *ad valorem*" and "Ten per cent *ad valorem*" shall, respectively, be substituted;

(xxix) in Item No. 25, for the entry in the third column, the entry "Fifty rupees per metric tonne." shall be substituted;

(xxx) in Item No. 26, for the entry in the third column, the entry "One hundred rupees per metric tonne." shall be substituted;

(xxxi) in Item No. 26AA, for the entries in the third column against sub-items (i), (ia), (ii), (iii), (iv) and (v) the entries "Seventy-five rupees per metric tonne plus the excise duty for the time being leviable on steel ingots", "Seventy-five rupees per metric tonne plus the excise duty for the time being leviable on steel ingots", "Five hundred rupees per metric tonne plus the excise duty for the time being leviable on steel ingots", "Five hundred rupees per metric tonne plus the excise duty for the time being leviable on or steel ingots", "Five hundred rupees per metric tonne plus the excise duty for the time being leviable on pig iron or steel ingots, as the case may be" and "Two hundred rupees per metric tonne plus the excise duty for the time being leviable on steel ingots", shall respectively, be substituted;

(xxxii) in Item No. 27,—

(a) in the second column, for the brackets, letter, words and figures,—

"(c) Foils, that is a product of thickness (excluding any backing) not exceeding 0.15 millimetre."

the brackets, letter, words and figures,—

"(c) Foils (whether or not embossed, cut to shape, perforated, coated, printed, or backed with paper or other reinforcing material), of a thickness (excluding any backing) not exceeding 0.15 millimetre."

shall be substituted;

(b) for each of the entries in the third column against sub-items (a) (i), (a) (ii), (b), (c), (d), (e) and (f), the entry "Thirty per cent *ad valorem*" shall be substituted;

(xxxiii) in Item No. 28, for the entry in the third column, the entry "Six hundred rupees per metric tonne" shall be substituted;

(xxxiv) in item No. 29, for the entries in the third column against sub-items (i) and (ii), the entries "Fifteen per cent *ad valorem*" and "Ten per cent *ad valorem*", shall, respectively, be substituted;

(xxxv) in Item No. 29A, for the entries in the third column against sub-items (1), (2) and (3), the entries

"Sixty per cent *ad valorem*", "Sixty per cent *ad valorem*" and "Seventy-five per cent *ad valorem*", shall, respectively, be substituted;

(xxxvi) in Item No. 30, for the entries in the third column against sub-items (1), (2)(i), (2)(ii), (3) and (4), the entries "Twenty per cent *ad valorem*", "Fifteen per cent *ad valorem*", "Ten per cent *ad valorem*", "Twenty per cent *ad valorem*" and "Twenty per cent *ad valorem*", shall, respectively, be substituted;

(xxxvii) in Item No. 31, for the entries in the third column against sub-items (1), (2) and (3), the entries "Twenty per cent *ad valorem*", "Twenty per cent *ad valorem*" and "Twenty-five per cent *ad valorem*", shall, respectively, be substituted;

(xxxviii) in Item No. 33, for the entries in the third column against sub-items (1), (2) and (3), the entries "Ten per cent *ad valorem*", "Fifteen per cent *ad valorem*" and "Fifteen per cent *ad valorem*", shall, respectively, be substituted;

(xxxix) in Item No. 33B, for the entry in the third column against sub-item (ii), the entry "Ten per cent *ad valorem*" shall be substituted

(xl) in Item No. 34, for the entries in the third column against sub-items (1), (2), (3), (3a) and (4), the entries "Two hundred and fifty rupees each or ten per cent *ad valorem*, whichever is higher,"

"One thousand and five hundred rupees each or fifteen per cent *ad valorem*, whichever is higher," "Four thousand rupees each or twenty per cent *ad valorem*, whichever is higher," fifteen per cent *ad valorem*" and "Three thousand rupees each or fifteen per cent *ad valorem*, whichever is higher," shall, respectively, be substituted;

(xli) in Item No. 37, under "II Exposed.—", for the entries in the second and third columns, the following entries shall be substituted, namely:—

	Of a width of 30mm. or higher	Below 30 mm. in width
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(1) News-reels and shorts not exceeding 500 metres.	One rupee per metre	Fifty paise per metre
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(2) Feature films, advertisement shorts, and films not otherwise specified.	Two rupees per metre.	One rupee per metre."
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## PART II

Item No.	Description of goods	Rate of duty
1	2	3

In the First Schedule to the Central Excise Act,—

(i) in Item No. 4, under "II. *Manufactured tobacco*—", for sub-item (1), the following sub-item shall be substituted, namely:—

"(1) Cigars and cheroots Twenty-five rupees per hundred."

(ii) for Item No. 11A, the following Item shall be substituted, namely:—

"IIA ALL PRODUCTS DERIVED FROM REFINING OF

1	2	3
CRUDE PETROLEUM OR SHALE (WHETHER GASEOUS, LIQUID, SEMI-SOLID, OR SOLID IN FORM), NOT OTHERWISE SPECIFIED, INCLUDING REFINERY GASES, LUBRICATING OIL AND GREASES, WAXES AND COKE—		
(1) Mineral oil	turpentine	Twenty per cent <i>ad valorem</i> plus one hundred rupees per metric tonne.
(2) Liquified gas	petroleum	Two hundred and fifty rupees per metric tonne.
(3) Waxes		Twenty per cent <i>ad valorem</i> plus two hundred rupees per metric tonne.
(4) Others		Twenty per cent <i>ad valorem</i> .”;
(iii) for Item No. 11B, the following Item shall be substituted, namely:—		
‘11B BLENDED OR COMPOUNDED LUBRICATING OILS AND GREASES—		Twenty per cent <i>ad valorem</i> .”;

“Blended or compounded lubricating oils and greases” means lubricating oils and greases obtained by straight blending of mineral oils, or by blending or compounding of mineral oils with any other ingredients.

**Explanation.**—The expression “mineral oil” has the meaning assigned to it in *Explanation 1* to Item No. 6.

(iv) for Item No. 18, the following Item shall be substituted, namely:—

‘18 RAYON AND SYNTHETIC FIBRES AND YARN, IN OR IN RELATION TO THE MANUFACTURE OF WHICH ANY PROCESS IS ORDINARILY CARRIED ON WITH THE AID OF POWER.	Sixty rupees per kilogram.”;
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**Explanation.**—“Rayon and synthetic fibres and yarn” shall be deemed to include—

- (i) man-made fibres;
- (ii) spun (discontinuous) yarn containing not less than ninety per cent by

1	2	3
		weight of man-made fibres calculated on the total fibre content;
		(iii) man-made filament (continuous) yarn; and
		(iv) man-made metallic yarn.
		(v) for Item No. 18A, the following Item shall be substituted, namely:—
‘18A COTTON TWIST, YARN AND THREAD, ALL SORTS, CONTAINING NOT LESS THAN NINETY PER CENT BY WEIGHT OF COTTON CALCULATED ON THE TOTAL FIBRE CONTENT, WHETHER SEIZED OF UNSIZED, IN ALL FORMS INCLUDING SKEINS, HANKS, COPS, CONES, BOBBINS, PIRNS, SPOOLS, REELS, CHEESES, BALLS OR ON WARP-		

BEAMS, IN OR IN RELATION TO THE MANUFACTURE OF WHICH ANY PROCESS IS ORDINARILY CARRIED ON WITH THE AID OF POWER—

- (1) of counts 29 or more .. Five rupees per kilogram.
- (2) of counts less than 29 .. One rupee per kilogram.”;

**Explanation.**—(1) “Count” means the size of grey yarn (excluding any sizing material) expressed as the number of 1000 metre hanks per one-half kilogram.

- (2) For multiple-fold yarn, “count” means the count of the basic single yarn.

(vi) for Item No. 18B, the following Item shall be substituted, namely:—

‘18B WOOLEN YARN, ALL SORTS INCLUDING KNITTING WOOL, CONTAINING NOT LESS THAN NINETY PER CENT BY WEIGHT OF WOOL CALCULATED ON THE TOTAL FIBRE CONTENT, IN OR IN RELATION TO THE MANUFACTURE OF WHICH ANY PROCESS IS ORDINARILY CARRIED ON WITH THE AID OF POWER—	
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- (1) Worstst yarn—
  - (a) of 48s counts and more .. Thirty per cent *ad valorem*.
  - (b) of less than 48s counts .. Twenty per cent *ad valorem*.
- (2) Others .. Ten per cent *ad valorem*.

1	2	3	1	2	3
<p><b>Explanation.</b>—"Count" means the size of single yarn expressed as the number of 560 yard hanks per pound.</p> <p>(vii) after Item No. 18B, the following Items shall be inserted, namely:—</p> <p><b>18C SILK YARN ALL SORTS CONTAINING NOT LESS THAN NINETY PER CENT BY WEIGHT OF SILK (INCLUDING SILK NOIL) CALCULATED ON THE TOTAL FIBRE CONTENT, IN OR IN RELATION TO THE MANUFACTURE OF WHICH ANY PROCESS IS ORDINARY CARRIED ON WITH THE AID OF POWER</b></p> <p><b>18D JUTE TWIST, YARN, THREAD, ROPE AND TWINE, ALL SORTS, CONTAINING NOT LESS THAN NINETY PER CENT BY WEIGHT OF JUTE (INCLUDING BIMLIPATAM JUTE OR MESTA FIBRE) CALCULATED ON THE TOTAL FIBRE CONTENT, IN OR IN RELATION TO THE MANUFACTURE OF WHICH ANY PROCESS IS ORDINARY CARRIED ON WITH THE AID OF POWER.</b></p> <p><b>18E YARN, ALL SORTS, NOT ELSEWHERE SPECIFIED IN OR IN RELATION TO THE MANUFACTURE OF WHICH ANY PROCESS IS ORDINARILY CARRIED ON WITH THE AID OF POWER AND CONTAINING ANY TWO OR MORE OF THE FOLLOWING FIBRES, NAMELY:—</b></p> <p>(i) cotton;</p> <p>(ii) silk;</p> <p>(iii) wool;</p> <p>(iv) jute (including Bimlipatam jute or mesta fibre); and</p> <p>(v) man-made fibres.</p> <p>(vi) for Item No. 22A, the following Item shall be substituted, namely:—</p> <p><b>"22A JUTE MANUFACTURES (INCLUDING MANUFACTURES OF BIMLIPATAM JUTE OR OF MESTA FIBRE), ALL SORTS, NOT ELSEWHERE SPECIFIED BUT EXCLUDING ANY SUCH MANUFACTURE—</b></p> <p>(i) if it contains 40 per cent or more by weight of wool; or</p> <p>(ii) if it contains no wool or less than 40 per cent by weight of wool and less than 50 per cent by weight of ute (including Bimlipatam</p>			<p>jute or mesta fibre)—</p> <p>(1) Hessians Six hundred rupees per metric tonne.</p> <p>(2) Others Four hundred rupees per metric tonne.";</p> <p>(ix) after Item No. 22A, the following Item shall be inserted, namely:—</p> <p><b>"22AA TEXTILE FABRICS, NOT ELSEWHERE SPECIFIED, AND CONTAINING ANY TWO OR MORE OF THE FOLLOWING FIBRES, NAMELY:—</b></p> <p>(i) cotton;</p> <p>(ii) silk;</p> <p>(iii) wool;</p> <p>(iv) jute (including Bimlipatam jute or mesta fibre); and</p> <p>(v) man-made fibres.</p> <p>(x) for Item No. 33A, the following Item shall be substituted, namely:—</p> <p><b>"33A WIRELESS RECEIVING SETS, ALL SORTS, INCLUDING TRANSISTOR SETS AND RADIOGRAMS, WITH OR WITHOUT LOUD-SPEAKER—</b></p> <p>(1) Broadcast Television receiver sets Twenty per cent <i>ad valorem</i>.</p> <p>(2) Others Three hundred rupees per set.";</p> <p>(xi) for Item No. 37B, the following item shall be substituted, namely:—</p> <p><b>'37B CINEMATOGRAPH PROJECTORS AND PARTS THEREOF—</b></p> <p>(1) Cinematograph projectors Twenty per cent <i>ad valorem</i>.</p> <p>(2) Parts thereof Thirty per cent <i>ad valorem</i>.";</p> <p><b>Explanation.</b>—For the purposes of this Item, "Cinematograph projectors" means Cinematograph projectors whether in a completely assembled condition or other wise.</p>		
<p><b>"22A JUTE MANUFACTURES (INCLUDING MANUFACTURES OF BIMLIPATAM JUTE OR OF MESTA FIBRE), ALL SORTS, NOT ELSEWHERE SPECIFIED BUT EXCLUDING ANY SUCH MANUFACTURE—</b></p> <p>(i) if it contains 40 per cent or more by weight of wool; or</p> <p>(ii) if it contains no wool or less than 40 per cent by weight of wool and less than 50 per cent by weight of ute (including Bimlipatam</p>			<p>Four hundred rupees per metric tonne.</p> <p>Rupees fifty per kilogram.";</p>		

## THE FOURTH SCHEDULE

(See section 66)

In the First Schedule to the Additional Duties of Excise Act,—

(i) in Item No. 4,—

(a) under "I. *Unmanufactured tobacco*—", for the entries in the third column against sub-items (1), (2), (3), (4), (5), (6) and (8), the entries "Sixty paise.", "Five rupees and fifty paise.", "One rupee.", "Fifty paise.", "fifty Paise.", "Seventy-five paise.", and "Ten paise." shall, respectively, be substituted ;

(b) under "II. *Manufactured tobacco*—", for the entry in the third column against sub-item (2), the entry One hundred per cent *ad valorem* shall be substituted.

(ii) in Item No. 22, for the entry in the third column

against sub-item (1), the entry Seven and a half per cent ad valorem plus two rupees per square metre shall be substituted.

### THE FIFTH SCHEDULE

(See section 67)

In the Table annexed to sub-section (1) of section 3 of the Mineral Products Act,—

- (i) for the entry in the second column against item 3, the entry "Eight hundred and fifty rupees per kilolitre at fifteen degrees of Centigrade thermometer." shall be substituted;
- (ii) for the entry in the second column against item 7, the entry "Eight hundred and fifty rupees per metric tonne" shall be substituted.

Assented to on 31 May, 1972

### THE DEPARTMENTAL INQUIRIES (ENFORCEMENT OF ATTENDANCE OF WITNESSES AND PRODUCTION OF DOCUMENTS)

ACT, 1972  
ACT NO. 18 OF 1972  
AN  
ACT

*to provide for the enforcement of attendance of witnesses and production of documents in certain departmental inquiries and for matters connected therewith or incidental thereto.*

Be it enacted by Parliament in the Twenty-third Year of the Republic of India as follows:—

1. *Short title and extent.*—(1) This Act may be called the Departmental Inquiries (Enforcement of Attendance of Witnesses and Production of Documents) Act, 1972.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

2. *Departmental inquiries to which the Act shall apply.*—The provisions of this Act shall apply to every departmental inquiry made in relation to—

- (a) persons appointed to public services or posts in connection with the affairs of the Union;
- (b) persons who, having been appointed to any public service or post in connection with the affairs of the Union, are in service or pay, of,—
  - (i) any local authority in any Union territory,
  - (ii) any corporation established by or under a Central Act and owned or controlled by the Central Government,
  - (iii) any Government company within the meaning of section 617 of the Companies Act, 1956, (1 of 1956) in which not less than fifty one per cent of the paid-up share capital is held by the Central Government or any company which is a subsidiary of such Government company,
  - (iv) any society registered under the Societies Registration Act, 1860, (21 of 1860), which is subject to the control of the Central Government.

3. *Definitions.*—For the purposes of this Act,—

- (a) "departmental inquiry" means an inquiry held under and in accordance with—
  - (i) any law made by Parliament or any rule made there under, or
  - (ii) any rule made under the proviso to article 309, or continued under article 313, of the Constitution of India,

into any allegation of lack of integrity against any person to whom this Act applies;

(b) "inquiring authority" means an officer or authority appointed by the Central Government or by any Officer or authority subordinate to that Government to hold a departmental inquiry and includes any officer or authority who is empowered by or under any law or rule for the time being in force to hold such inquiry;

(c) "lack of integrity" includes bribery or corruption.

4. *Power of Central Government to authorise the exercise of powers specified in section 5.*—(1) Where the Central Government is of opinion that for the purposes of any departmental inquiry it is necessary to summon as witnesses, or call for any document from, and class or category of persons it may, by notification in the Official Gazette, authorise the inquiring authority to exercise the powers specified in section 5 in relation to any person within such class or category and thereupon the inquiring authority may exercise such power at any stage of the departmental inquiry.

(2) The power conferred on the Central Government by sub-section (1) may also be exercised by such authority, not being an authority inferior to the appointing authority in relation to the person against whom the departmental inquiry is being held, as the Central Government may, by notification in the Official Gazette, specify in this behalf.

5. *Power of authorised inquiring authority to enforce attendance of witnesses and production of documents.*—

(1) Every inquiring authority authorised under section 4 (hereafter referred to as the "authorised inquiring authority") shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908, (5 of 1908) while trying a suit, in respect of the following matters, namely:—

- (a) the summoning and enforcing the attendance of any witness and examining him on oath;
- (b) requiring the discovery and production of any document or other material which is producible as evidence;
- (c) the requisitioning of any public record from any court or office.

(2) Notwithstanding anything contained in sub-section (1), the authorised inquiring authority shall not compel the Reserve Bank of India, the State Bank of India, any Subsidiary Bank as defined in clause (k) of section 2 of the State Bank of India (Subsidiary Banks) Act, 1959, (58 of 1959), or any corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and transfer of Undertakings) Act, 1970 (5 of 1970),—

- (a) to produce any books of account or other documents which the Reserve Bank of India, the State Bank of India, the Subsidiary Bank or the corresponding new bank claims to be of a confidential nature, or
- (b) to make any such books or documents a part of the record of the proceedings of the departmental inquiry, or
- (c) to give inspection of any such books or documents if produced, to any party before it or to any other person.

(3) Every process issued by an authorised inquiring authority for the attendance of any witness or for the production of any document shall be served and executed through the District Judge within the local limits of whose jurisdiction the witness or other person, on whom the process is to be served or executed, voluntarily resides



or carries on business or personally works or gain, and, for the purpose of taking any action for the disobedience of any such process, every such process shall be deemed to be a process issued by the District Judge.

(4) Every authorised inquiring authority making any departmental inquiry under this Act shall be deemed to be a civil court for the purposes of sections 480 and 482 of the Code of Criminal Procedure, 1898 (5 of 1898).

6. *Territorial limits in which powers specified in section 5 may be exercised.*—For the purpose of exercising the powers specified in section 5, the territorial jurisdiction of every authorised inquiring authority shall extend to the limits of the territory to which this Act extends.

7. *Power to make rules.*—(1) The Central Government may, by notification in the Official Gazette, make rules for the purpose of giving effect to the provisions of this Act.

(2) Every rule made by the Central Government under this section shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions; and if, before the expiry of the session immediately following the session or the successive sessions aforesaid both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that the modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Assented to on 31st May, 1972.

## THE DRUGS AND COSMETICS (AMENDMENT) ACT, 1972

(ACT NO. 19 OF 1972)

AN  
ACT

*further to amend the Drugs and Cosmetics Act, 1940*

BE it enacted by Parliament in the twenty-third Year of Republic of India as follows:—

1. *Short title.*—This Act may be called the Drugs and Cosmetics (Amendment) Act, 1972.

2. *Amendment of section 1.*—In the Drugs and Cosmetics Act, 1940 (23 of 1940) (hereinafter referred to as the principal Act), in section 1,—

- (i) in sub-section (2), the words “except the State of Jammu and Kashmir” shall be omitted;
- (ii) to sub-section (3), the following proviso shall be added, namely:—

“Provided that in relation to the State of Jammu and Kashmir, Chapter III shall take effect only from such date after the commencement of the Drugs and Cosmetics (Amendment) Act, 1972, as the Central Government may, by notification in the Official Gazette, appoint in this behalf.”

3. *Amendment of section 3.*—In section 3 of the principal Act, clause (d) shall be omitted.

4. *Insertion of new section 3A.*—After section 3 of the principal Act, the following section shall be inserted, namely:—

“3A. *Construction of references to any law not in force or any functionary not in existence in the State of Jammu and Kashmir.*—Any reference

in this Act to any law which is not in force, or any functionary not in existence, in the State of Jammu and Kashmir, shall, in relation to that State, be construed as a reference to the corresponding in existence in that State.”

5. *Repeal and saving.*—(1) On and from the date on which any of the provisions of the principal Act take effect in the State of Jammu and Kashmir the corresponding provisions, if any, contained in the Jammu and Kashmir Drugs Act 2000 (Jammu and Kashmir Act 20 of 2000) (1940 A.D.) shall stand repealed.

(2) The repeal of any provisions contained in the Jammu and Kashmir Drugs Act 2000, Jammu and Kashmir Act 20 of 2000 (1940 A.D.) under sub-section (1), shall not affect—

- (a) the previous operation of the provisions so repealed or any thing duly done or suffered thereunder; or
- (b) any right, privilege, obligation or liability acquired, accrued or incurred under the provisions so repealed; or
- (c) any penalty, forfeiture or punishment incurred in respect of any offence committed against the provisions so repealed; or
- (d) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid;

and any such investigation, legal proceeding or remedy may be instituted, continued or enforced, and any such penalty, forfeiture or punishment may be imposed as if the said provisions had not been repealed:

Provided that anything done or any action taken (including any appointment made, notification issued or rule made) under the provisions so repealed shall be deemed to have been done or taken under the corresponding provisions of the Principal Act as amended by this Act and now extended to the State of Jammu and Kashmir and shall continue to be in force accordingly unless and until superseded by anything done or any action taken under the principal Act as amended by this Act.

Assented to on 31st May, 1972.

## THE ARCHITECTS ACT, 1972

(ACT NO. 20 OF 1972)

AN  
ACT

*to provide for the registration of architects and for matters connected therewith*

BE it enacted by Parliament in the Twenty-third Year of the Republic of India as follows:—

### CHAPTER I

#### PRELIMINARY

1. *Short title, extent and commencement.*—(1) This Act may be called the Architects Act, 1972.

(2) It extends to the whole of India.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. *Definitions.*—In this Act, unless the context otherwise requires,—

- (a) “architect” means a person whose name is for the time being entered in the register;
- (b) “Council” means the Council of Architecture

- constituted under section 3;
- (c) "Indian Institute of Architects" means the Indian Institute of Architects registered under the Societies Registration Act, 1860 (21 of 1860);
- (d) "recognised qualification" means any qualification in architecture for the time being included in the Schedule or notified under section 15;
- (e) "register" means the register of architects maintained under section 23;
- (f) "regulation" means a regulation made under this Act by the Council;
- (g) "rule" means a rule made under this Act by the Central Government.

## CHAPTER II

### COUNCIL OF ARCHITECTURE

3. *Constitution of Council of Architecture.*—(1) The Central Government shall, by notification in the Official Gazette, constitute, with effect from such date as may be specified in the notification, a Council to be known as the Council of Architecture, which shall be a body corporate, having perpetual succession and a common seal, with power to acquire, hold and dispose of property, both movable and immovable, and to contract, and may by that name sue or be sued.

(2) The Head Office of the Council shall be at Delhi or at such other place as the Central Government may, by notification in the Official Gazette, specify.

(3) The Council shall consist of the following members, namely:—

- (a) five architects possessing recognised qualifications elected by the Indian Institute of Architects from among its members;
- (b) two persons nominated by the All India, Council for Technical Education established by the Resolution of the Government of India in the late Ministry of Education No. F. 16-10/44-E. III, dated the 30th November, 1945;
- (c) five persons elected from among themselves by heads of architectural institutions in India imparting full-time instruction for recognised qualifications;
- (d) the Chief Architects in the Ministries of the Central Government to which the Government business relating to defence and railways has been allotted and the head of the Architectural Organisation in the Central Public Works Department, *ex-officio*;
- (e) one person nominated by the Central Government;
- (f) an architect from each State nominated by the Government of that State;
- (g) two persons nominated by the Institution of Engineers (India) from among its members; and
- (h) one person nominated by the Institution of Surveyors of India from among its members.

*Explanation.*—For the purposes of this sub-section,—

- (a) "Institution of Engineers (India)" means the Institution of Engineers (India) first registered in 1920 under the Indian Companies Act, 1913 (1 of 1913) and subsequently incorporated by a Royal Charter in 1935.
- (b) "Institution of Surveyors of India" means the Institution of Surveyors registered under the Societies Registration Act, 1860 (21 of 1860).

(4) Notwithstanding anything contained in clause (a) of sub-section (3), the Central Government may, pending the preparation of the register, nominate to the first Council, in consultation with the Indian Institute of

Architects, persons referred to in the said clause (a) who are qualified for registration under section 25, and the persons so nominated shall hold office for such period as the Central Government may, by notification in the Official Gazette, specify.

(5) Notwithstanding anything contained in clause (f) of sub-section (3), the Central Government may, pending the preparation of the registration nominate to the first Council, in consultation with the State Government concerned, persons referred to in the said clause (f), who are qualified for registration under section 25, and the persons so nominated shall hold office for such period as the Central Government may, by notification in the Official Gazette, specify.

4. *President and Vice-President of Council.*—(1) The President and the Vice-President of the Council shall be elected by the members of the Council from among themselves:

Provided that on the first constitution of the Council and until the President is elected, a member of the Council nominated by the Central Government in this behalf shall discharge the functions of the President.

(2) An elected President or Vice-President of the Council shall hold office for a term of three years or till he ceases to be a member of the Council, whichever, is earlier, but subject to his being a member of the Council, he shall be eligible for re-election:

Provided that—

- (a) the President or the Vice-President may, by writing under his hand addressed to the Vice-President or the President, as the case may be, resign his office;
- (b) the President or the Vice-President shall, notwithstanding the expiry of his term of three years, continue to hold office until his successor enters upon office.

(3) The President and the Vice-President of the Council shall exercise such powers and discharge such duties as may be prescribed by regulations.

5. *Mode of elections.*—(1) Elections under this Chapter shall be conducted in such manner as may be prescribed by rules.

(2) Where any dispute arises regarding any such election, the matter shall be referred by the Council to a Tribunal appointed by the Central Government by notification in the Official Gazette in this behalf, and the decision of the Tribunal shall be final:

Provided that no such reference shall be made except on an application made to the Council by an aggrieved party within thirty days from the date of the declaration of the result of the election.

(3) The expenses of the Tribunal shall be borne by the Council.

6. *Terms of office and casual vacancies.*—(1) Subject to the provisions of this section, an elected or nominated member shall hold office for a term of three years from the date of his election or nomination or until his successor has been duly elected or nominated, whichever is later.

(2) An elected or nominated member may, at any time, resign his membership by writing under his hand addressed to the President, or in his absence, to the Vice-President, and the seat of such member shall thereupon become vacant.

(3) A member shall be deemed to have vacated his seat—

- (i) If he is absent without excuse, sufficient in the opinion of the Council, from three consecutive ordinary meetings of the Council ; or
- (ii) if he ceases to be a member of the body referred to in clause (a), clause (g) or clause (h) of sub-section (3) of section 3 by which he was elected or nominated, as the case may be ; or
- (iii) in the case where he has been elected under clause (c) of sub-section (3) of section 3, if he ceases to hold his appointment as the head of an institution referred to in the said clause.

(4) A casual vacancy in the Council shall be filled by fresh election or nomination, as the case may be, and the person so elected or nominated to fill the vacancy shall hold office only for the remainder of the term for which the member whose place he takes, was elected or nominated.

(5) Members of the Council shall be eligible for re-election or renomination, but not exceeding three consecutive terms.

7. *Validity of act or proceeding of Council, Executive Committee or other committees not to be invalidated by reason of vacancy, etc.*—No act or proceeding of the Council of the Executive Committee or any other committee shall be invalid merely by reason of—

- (a) any vacancy in, or defect in the constitution of the Council, the Executive Committee or any other committee, or
- (b) any defect in the election or nomination of a person acting as a member thereof, or
- (c) any irregularity in procedure not affecting the merits of the case.

8. *Disabilities.*—A person shall not be eligible for election or nomination as a member of the Council, if he—

- (a) is an undischarged insolvent; or
- (b) has been convicted by a court in India for any offence and sentenced to imprisonment for not less than two years, and shall continue to be ineligible for a further period of five years since his release.

9. *Meetings of Council.*—(1) The Council shall meet at least once in every six months at such time and place and shall observe such rules of procedure in regard to the transaction of business at its meetings as may be prescribed by regulations.

(2) Unless otherwise prescribed by regulations, nine members of the Council shall form a quorum, and all the acts of the Council shall be decided by a majority of the members present and voting.

(3) In the case of an equal division of votes, the President, or in his absence, the Vice-President or, in the absence of both, the member presiding over the meeting, shall have and exercise a second or casting vote.

10. *Executive Committee and other committees.*—(1) The Council shall constitute from among its members an Executive Committee, and may, also constitute other committees for such general or special purposes as the Council deems necessary to carry out its functions under this Act.

(2) The Executive Committee shall consist of the President and the Vice-President of the Council who shall be members *ex officio* and five other members who shall be elected by the Council from among its members.

(3) The President and the Vice-President of the Council shall be the Chairman and Vice-Chairman respectively

of the Executive Committee.

(4) A member of the Executive Committee shall hold office as such until the expiry of his term as a member of the Council but subject to his being a member of the Council, he shall be eligible for re-election.

(5) In addition to the powers and duties conferred and imposed on it by this Act, the Executive Committee shall exercise such powers and discharge such duties as may be prescribed by regulations.

11. *Fees and allowances to President, Vice-President and members.*—The President, the Vice-President and other members of the council shall be entitled to such fees and allowances as the Council may, with the previous sanction of the Central Government, fix in this behalf.

12. *Officers and other employees.*—(1) The Council shall—

- (a) appoint a Registrar who shall act as its Secretary and who may also act, if so decided by the Council, as its treasurer;
- (b) appoint such other Officers and employees as the Council deems necessary to enable it to carry out its functions under this Act;
- (c) with the previous sanction of the Central Government, fix the pay and allowances and other conditions of service of officers and other employees of the Council.

(2) Notwithstanding anything contained in clause (a) of sub-section (1), for the first three years from the first constitution of the Council, the Registrar of the Council shall be a person appointed by the Central Government, who shall hold office during the pleasure of the Central Government.

(3) All the persons appointed under this section shall be the employees of the Council.

13. *Finances of Council.*—(1) There shall be established a Fund under the management and control of the Council into which shall be paid all moneys received by the Council and out of which shall be met all expenses and liabilities properly incurred by the Council.

(2) The council may invest any money for the time being standing to the credit of the Fund in any Government security or in any other security approved by the Central Government.

(3) The Council shall keep proper accounts of the Fund distinguishing capital from revenue.

(4) The annual accounts of the Council shall be subject to audit by an auditor to be appointed annually by the Council.

(5) As soon as may be practicable at the end of each year, but not later than the thirtieth day of September of the year next following, the Council shall cause to be published in the Official Gazette a copy of the audited accounts and the report of the Council for that year and copies of the said accounts and report shall be forwarded to the Central Government.

(6) The Fund shall consist of—

- (a) all moneys received from the Central Government by way of grant, gift or deposit;
- (b) any sums received under this Act whether by way of fee or otherwise.

(7) All moneys standing at the credit of the Council which cannot immediately be applied shall be deposited in the State Bank of India or in any other bank specified in column 2 of the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (5 of 1970.)

**14. Recognition of qualifications granted by authorities in India.**—(1) The qualification included in the Schedule or notified under section 15 shall be recognised for the purposes of this Act.

(2) Any authority in India which grants an architectural qualification not included in the Schedule may apply to the Central Government to have such qualification recognised, and the Central Government, after consultation with the Council, may, by notification in the Official Gazette, amend the Schedule so as to include such qualification therein, and any such notification may also direct that an entry shall be made in the Schedule against such architectural qualification declaring that it shall be a recognised qualification only when granted after a specified date:

Provided that until the first Council is constituted, the Central Government shall, before issuing any notification as aforesaid, consult an expert committee consisting of three members to be appointed by the Central Government by notification in the Official Gazette.

**15. Recognition of architectural qualifications granted by authorities in foreign countries.**—(1) The Central Government may, after consultation with the Council, direct, by notification in the Official Gazette, that an architectural qualification granted by any university or other institution in any country outside India in respect of which a scheme of reciprocity for the recognition of architectural qualification is not in force, shall be a recognised qualification for the purposes of this Act or, shall be so only when granted after a specified date or before a specified date:

Provided that until the first Council is constituted the Central Government shall, before issuing any notification as aforesaid, consult the expert committee set up under the proviso to sub-section (2) of section 14.

(2) The Council may enter into negotiations with the authority in any State or country outside India, which by the law of such State or country is entrusted with the maintenance of a register of architects, for settling of a scheme of reciprocity for the recognition of architectural qualifications, and in pursuance of any such scheme, the Central Government may, by notification in the Official Gazette, direct that such architectural qualification as the Council has decided should be recognised, shall be deemed to be a recognised qualification for the purposes of this Act, and any such notification may also direct that such architectural qualification shall be so recognised only when granted after a specified date or before a specified date.

**16. Power of Central Government to amend Schedule.**—Notwithstanding anything contained in sub-section (2) of section 14, the Central Government, after consultation with the Council, may, by notification in the Official Gazette, amend the Schedule by directing that an entry be made therein in respect of any architectural qualification.

**17. Effect of recognition.**—Notwithstanding anything contained in any other law, but subject to the provisions of this Act, any recognised qualification shall be a sufficient qualification for enrolment in the register.

**18. Power to require information as to courses of study and examinations.**—Every authority in India which grants a recognised qualification shall furnish such information as the Council may, from time to time, require as to the courses of study and examinations to be undergone in order to obtain such qualification, as to the ages at which such courses of study and examinations are required to be undergone and such qualification is conferred and generally as to the requisites for obtaining such qualification.

**19. Inspection of examinations.**—(1) The Executive Committee shall, subject to regulations, if any, made by the Council, appoint such number of inspectors as it may deem requisite to inspect any college or institution where architectural education is given or to attend any examination held by any college or institution for the purpose of recommending to the Central Government recognition of architectural qualifications granted by that college or institution.

(2) The inspectors shall not interfere with the conduct of any training or examination, but shall report to the Executive Committee on the adequacy of the standards of architectural education including staff, equipment, accommodation, training and such other facilities as may be prescribed by regulations for giving such education or on the sufficiency of every examination which they attend.

(3) The Executive Committee shall forward a copy of such report to the college or institution and shall also forward copies with remarks, if any, of the college or institution thereon, to the Central Government.

**20. Withdrawal of recognition.**—(1) When upon report by the Executive Committee it appears to the Council—

- (a) that the courses of study and examination to be undergone in, or the proficiency required from the candidates at any examination held by, any college or institution, or
- (b) that the staff, equipment, accommodation, training and other facilities for staff and training provided in such college or institution,

do not conform to the standards prescribed by regulations, the Council shall make a representation to that effect to the appropriate Government.

(2) After considering such representation the appropriate Government shall forward it along with such remarks as it may choose to make to the college or institution concerned, with an intimation of the period within which the college or institution, as the case may be, may submit its explanation to the appropriate Government.

(3) On receipt of the explanation or where no explanation is submitted within the period fixed, then on the expiry of that period, the State Government, in respect of the college or institution referred to in clause (b) of sub-section (5), shall make its recommendations to the Central Government.

**(4) The Central Government—**

(a) after making such further enquiry, if any, as it may think fit, in respect of the college or institution referred to in sub-section (3), or

(b) on receipt of the explanation from a college or institution referred to in clause (a) of sub-section (5), or where no explanation is submitted within the period fixed, then on the expiry of that period,

may, by notification in the Official Gazette, direct that an entry shall be made in the Schedule against the architectural qualification awarded by such college or institution, as the case may be, declaring that it shall be a recognised qualification only when granted before a specified date and the Schedule shall be deemed to be amended accordingly.

(5) For the purposes of this section, "appropriate government" means—

(a) in relation to any college or institution established by an Act of Parliament or managed, controlled or financed by the Central Government, the Central Government, and

(b) in any other case, the State Government.



**21. Minimum standard of architectural education.**—The Council may prescribe the minimum standards of architectural education required for granting recognised qualifications by colleges or institutions in India.

**22. Professional conduct.**—(1) The Council may by regulations prescribe standards of professional conduct and etiquette and a code of ethics for architects.

(2) Regulations made by the Council under sub-section (1) may specify which violations thereof shall constitute infamous conduct in any professional respect, that is to say, professional misconduct, and such provision shall have effect notwithstanding anything contained in any law for the time being in force.

### CHAPTER III

#### REGISTRATION OF ARCHITECTS

**23. Preparation and maintenance of register.**—(1) The Central Government shall, as soon as may be, cause to be prepared in the manner hereinafter provided a register of architects for India.

(2) The Council shall upon its constitution assume the duty of maintaining the register in accordance with the provisions of this Act.

(3) The register shall include the following particulars, namely:—

- (a) the full name with date of birth, nationality and residential address of the architect
- (b) his qualification for registration, and the date on which he obtained that qualification and the authority which conferred it.
- (c) the date of his first admission to the register;
- (d) his professional address; and
- (e) such further particulars as may be prescribed by rules.

**24. First preparation of register.**—(1) For the purposes of preparing the register of architects for the first time, the Central Government shall, by notification in the Official Gazette, constitute a Registration Tribunal consisting of three persons who have, in the opinion of the Central Government, the knowledge of, or experience in, architecture; and the Registrar appointed under section 12 shall act as Secretary of the tribunal.

(2) The Central Government shall, by the same or a like notification, appoint a date on or before which application for registration, which shall be accompanied by such fee as may be prescribed by rules, shall be made to the Registration Tribunal.

(3) The Registration Tribunal shall examine every application received on or before the appointed day and if it is satisfied that the applicant is qualified for registration under section 25, shall direct the entry of the name of the applicant in the register.

(4) The first register so prepared shall thereafter be published in such manner as the Central Government may direct and any person aggrieved by a decision of the Registration Tribunal expressed or implied in the register so published may, within thirty days from the date of such publication, appeal against such decision to an authority appointed by the Central Government in this behalf by notification in the Official Gazette.

(5) The authority appointed under sub-section (4) shall, after giving the person affected an opportunity of being heard and after calling for relevant records, make such order as it may deem fit.

(6) The Registrar shall amend, where necessary, the register in accordance with the decisions of the authority appointed under sub-section (4).

(7) Every person whose name is entered in the register shall be issued a certificate of registration in such form as may be prescribed by rules.

(8) Upon the constitution of the Council, the register shall be given into its custody, and the Central Government may direct that the whole or any specified part of the application fees for registration in the first register shall be paid to the credit of the Council.

**25. Qualification for entry in register.**—A person shall be entitled on payment of such fee as may be prescribed by rules to have his name entered in the register, if he resides or carries on the profession of architect in India and—

- (a) holds a recognised qualification, or
- (b) does not hold such a qualification but, being a citizen of India, has been engaged in practice as an architect for a period of not less than five years prior to the date appointed under sub-section (2) of section 24, or
- (c) possesses such other qualifications as may be prescribed by rules:

Provided that no person other than a citizen of India shall be entitled to registration by virtue of a qualification—

- (a) recognised under sub-section (1) of section 15 unless by the law and practice of a country outside India to which such person belongs, citizens of India holding architectural qualification registrable in that country are permitted to enter and practise the profession of architect in such country, or
- (b) unless the Central Government has, in pursuance, of a scheme of reciprocity or otherwise, declared that qualification to be a recognised qualification under sub-section (2) of section 15.

**26. Procedure for subsequent registration.**—(1) After the date appointed for the receipt of applications for registration in the first register of architects, all applications for registration shall be addressed to the Registrar of the council and shall be accompanied by such fee as may be prescribed by rules.

(2) If upon such application the Registrar is of opinion that the applicant is entitled to have his name entered in the register he shall enter thereon the name of the applicant:

Provided that no person whose name has under the provisions of this Act been removed from the register, shall be entitled to have his name re-entered in the register except with the approval of the Council.

(3) Any person whose application for registration is rejected by the Registrar may, within three months of the date of such rejection, appeal to the Council.

(4) Upon entry in the register of a name under this section, the Registrar shall issue a certificate of registration in such form as may be prescribed by rules.

**27. Renewal fees.**—(1) The Central Government may, by notification in the Official Gazette, direct that for the retention of a name in the register after the 31st day of December of the year following the year in which the name is first entered in the register, there shall be paid annually to the Council such renewal fee as may be prescribed by rules and where such direction has been made, such renewal fee shall be due to be paid before the first day of April of the year to which it relates.

(2) Where the renewal fee is not paid before the due date, the Registrar shall remove the name of the defaulter from the register:

Provided that a name so removed may be restored to the register on such conditions as may be prescribed by



rules.

(3) On payment of the renewal fee, the Registrar shall, in such manner as may be prescribed by rules, endorse the certificate of registration accordingly.

**28. Entry of additional qualification.**—An architect shall, on payment of such fee as may be prescribed by rules, be entitled to have entered in the register any further recognised qualification which he may obtain.

**29. Removal of register.**—(1) The Council may, by order, remove from the register the name of any architect—

- (a) from whom a request has been received to that effect, or
- (b) who has died since the last publication of the register.

(2) Subject to the provisions of this section the Council may order that the name of any architect shall be removed from the register where it is satisfied, after giving him a reasonable opportunity of being heard and after such further inquiry, if any, as it may think fit to make,—

- (a) that his name has been entered in the register by error or on account of misrepresentation or suppression of a material fact; or
- (b) that he has been convicted of any offence which, in the opinion of the Council, involves moral turpitude; or
- (c) that he is undischarged insolvent; or
- (d) that he has been adjudged by a competent court to be of unsound mind.

(3) An order under sub-section (2) may direct that any architect whose name is ordered to be removed from a register shall be ineligible for registration under this Act for such period as may be specified.

(4) An order under sub-section (2) shall not take effect until expiry of three months from the date thereof.

**30. Procedure in inquiries relating to misconduct.**—(1) When on receipt of a complaint made to it, the Council is of opinion that any architect has been guilty of professional misconduct which, if proved, will render him unfit to practise as an architect, the Council may hold an inquiry in such manner as may be prescribed by rules.

(2) After holding the inquiry under sub-section (1) and after hearing the architect, the Council may, by order, reprimand the said architect or suspend him from practice as an architect or remove his name from the register or pass such other order as it thinks fit.

**31. Surrender of certificates.**—A person whose name has been removed from the register under sub-section (2) of section 27, sub-section (1) or sub-section (2) of section 29 or sub-section (2) of section 30, or where such person is dead, his legal representative, as defined in clause (11) of section 2 of the Code of Civil Procedure, 1908, (5 of 1908) shall forthwith surrender his certificate of registration to the Registrar, and the name so removed shall be published in the Official Gazette.

**32. Restoration to register.**—The Council may, at any time, for reasons appearing to it to be sufficient and subject to the approval of the Central Government, order that upon payment of such fee as may be prescribed by rules, the name of the person removed from the register shall be restored thereto.

**33. Issue of duplicate certificates.**—Where it is shown to the satisfaction of the Registrar that a certificate of registration has been lost or destroyed, the Registrar may, on payment of such fee as may be prescribed by rules, issue a duplicate certificate in the form prescribed rules.

**34. Printing of register.**—As soon as may be after the 1st day of April in each year, the Registrar shall cause to be printed copies of the register as it stood on the

said date and such copies shall be made available to persons applying therefor on payment of such fee as may be prescribed by rules and shall be evidence that on the said date the persons whose names are entered therein were architects.

**35. Effect of registration.**—(1) Any reference in any law for the time being in force to an architect shall be deemed to be a reference to an architect registered under this Act.

(2) After the expiry of two years from the date appointed under sub-section (2) of section 24, a person who is registered in the register shall get preference for appointment as an architect under the Central or State Government or in any other local body or institution which is supported or aided from the public or local funds or in any institution recognised by the Central or State Government.

## CHAPTER IV

### MISCELLANEOUS

**36. Penalty for falsely claiming to be registered.**—If any person whose name is not for the time being entered in the register falsely represents that it is so entered, or uses in connection with his name or title any words or letters reasonably calculated to suggest that his name is so entered, he shall be punishable with fine which may extend to one thousand rupees.

**37. Prohibition against use of title.**—(1) After the expiry of one year from the date appointed under sub-section (2) of section 24, no person other than a registered architect, or a firm of architects shall use the title and style of architect:

Provided that the provisions of this section shall not apply to—

- (a) practice of the profession of an architect by a person designated as a "landscape architect" or "naval architect";
- (b) a person who, carrying on the profession of an architect in any country outside India, undertakes the function as a consultant or designer in India for a specific project with the prior permission of the Central Government.

**Explanation.**—For the purposes of clause (a),—

- (i) "landscape architect" means a person who deals with the design of open spaces relating to plants, trees and landscape;
- (ii) "naval architect" means an architect who deals with design and construction of ships.

(2) If any person contravenes the provisions of sub-section (1), he shall be punishable on first conviction with fine which may extend to five hundred rupees and on any subsequent conviction with imprisonment which may extend to six months or with fine not exceeding one thousand rupees or with both.

**38. Failure to surrender certificate of registration.**—If any person whose name has been removed from the register fails without sufficient cause forthwith to surrender his certificate of registration, he shall be punishable with fine which may extend to one hundred rupees, and, in the case of a continuing failure, with an additional fine which may extend to ten rupees for each day after the first during which he has persisted in the failure.

**39. Cognizance of offences.**—(1) No court shall take cognizance of any offence punishable under this Act, except upon complaint made by order of the Council or a person authorised in this behalf by the Council.

(2) No Magistrate other than a Presidency Magistrate

or a Magistrate of the First class try any offence punishable under this Act.

**40. Information to be furnished by Council and publication thereof.**—(1) The Council shall furnish such reports, copies of its minutes, and other information to the Central Government as that Government may require.

(2) The Central Government may publish, in such manner as it may think fit, any report, copy or other information furnished to it under this section.

**41. Protection of action taken in good faith.**—No suit, prosecution or other legal proceeding shall lie against the Central Government, the Council or any member of the Council, the Executive Committee or any other committee or officers and other employees of the Council for anything which is in good faith done or intended to be done under this Act or any rule or regulation made thereunder.

**42. Members of Council and officers and employees to be public servants.**—The Members of the Council and officers and other employees of the Council shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code (45 of 1860).

**43. Power to remove difficulties.**—(1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made under this section after the expiry of two years from the date of commencement of this Act.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament and the provisions of sub-section (3) of section 44 shall apply in respect of such order as it applies in respect of a rule made under this Act.

**44. Power of Central Government to make rules.**—(1) The Central Government may, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

- (a) the manner in which elections under Chapter II shall be conducted, the terms and conditions of service of the member of the Tribunal appointed under sub-section (2) of section 5 and the procedure to be followed by the Tribunal;
- (b) the procedure to be followed by the expert committee constituted under the proviso to sub-section (2) of section 14 in the transaction of its business and the powers and duties of the expert committee and the travelling and daily allowances payable to the members thereof;
- (c) the particulars to be included in the register of architects under sub-section (3) of section 23;
- (d) the form in which a certificate of registration is to be issued under sub-section (7) of section 24, sub-section (4) of section 26 and section 33;
- (e) the fee to be paid under section 24, 25, 27, 28, 32 and 33;
- (f) the conditions on which name may be restored to the register under the proviso to sub-section (2) of section 27;
- (g) the manner of endorsement under sub-section (3) of section 27;
- (h) the manner in which the Council shall hold an enquiry under section 30;

(i) the fee for supplying printed copies of the register under section 34;

(j) any other matter which is to be or may be provided by rules under this Act.

(3) Every rule made under this section shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification to the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

**45. Power of Council to make resolutions.**—(1) The Council may, with the approval of the Central Government, make regulations not inconsistent with the provisions of this Act, or the rules made thereunder to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for—

- (a) the management of the property of the Council;
- (b) the powers and duties of the President and the Vice-President of the Council;
- (c) the summoning and holding of meetings of the Council and the Executive Committee or any other committee constituted under section 10, the times and places at which such meetings shall be held, the conduct of business thereat and the number of person necessary to constitute a quorum;
- (d) the functions of the Executive Committee or of any other committee constituted under section 10;
- (e) the courses and periods of study and of practical training, if any, to be undertaken, the subjects of examinations and standards of proficiency therein to be obtained in any college or institution for grant of recognised qualifications;
- (f) the appointment, powers and duties of inspector;
- (g) the standards of staff, equipment, accommodation, training and other facilities for architectural education;
- (h) the conduct of professional examinations, qualifications of examiners and the conditions of admission to such examinations;
- (i) the standards of professional conduct and etiquette and code of ethics to be observed by architects;
- (j) any other matter which is to be or may be provided by regulations under this Act and in respect of which no rules have been made.

## THE SCHEDULE

(See section 14)

## QUALIFICATIONS

1. Bachelor Degree in Architecture awarded by India Universities established by an Act of the Central or State Legislature.
2. National Diploma (formerly All India Diploma) in Architecture awarded by the All India Council for Technical Education.
3. Degree of Bachelor of Architecture (B. Arch.) awarded by the Indian Institute of Technology, Kharagpur.

4. Five-year full-time diploma in Architecture of the Sir J. J. School of Art, Bombay, awarded after 1941.
5. Diploma in Architecture awarded by the State Board of Technical Education and Training of the Government of Andhra Pradesh with effect from 1960 (for the students trained at the Government College of Arts and Architecture, Hyderabad).
6. Diploma in Architecture awarded by the Government College of Arts and Architecture, Hyderabad till 1959, subject to the condition that the candidates concerned have subsequently passed a special final examination in architecture held by the State Board of Technical Education, Andhra Pradesh and obtained a special certificate.
7. Diploma in Architecture awarded by the University of Nagpur with effect from 1965 to the students trained at the Government Polytechnic, Nagpur.
8. Government Diploma in Architecture awarded by the Government of Maharashtra (or the former Government of Bombay).
9. Diploma in Architecture of Kalabhavan Technical Institute, Baroda.
10. Diploma in Architecture awarded by the School of Architecture, Ahmedabad.
11. Membership of the Indian Institute of Architects.

Assented to on 1 June, 1972

#### THE MATERNITY BENEFIT AMENDMENT ACT, 1972

ACT NO. 21 OF 1972

AN

ACT

further to amend the Maternity Benefit Act, 1961

BE it enacted by Parliament in the Twenty-third Year of the Republic of India as follows:—

1. *Short title.*—This Act may be called the maternity Benefit (Amendment) Act, 1972.

2. *Amendment of section 2.*—In section 2 of the Maternity Benefit Act, 1961 (53 of 1961), (hereinafter referred to as the principal Act), in sub-section (2), for the words "Nothing contained in this Act", the words, figure and letter "Save as otherwise provided in section 5A, nothing contained in this Act" shall be substituted.

3. *Insertion of new section 5A.*—After section 5 of the principal Act, the following section shall be inserted, namely:—

"5A. *Continuance of payment of maternity benefit in certain cases.*—Every woman entitled to the payment of the payment of maternity benefit under this Act shall, notwithstanding the application of Employees' State Insurance Act, 1948 (34 of 1948), to the factory or other establishment in which she is employed, continue to be so entitled until she becomes qualified to claim maternity benefit under section 50 of that Act."

Assented to On 2 June, 1972

#### THE CANTONMENTS (EXTENSION OF RENT CONTROL LAWS) AMENDMENT ACT, 1972

ACT NO. 22 OF 1972

AN

ACT

to amend the Cantonments (Extension of Rent Control Laws) Act, 1957.

BE it enacted by Parliament in the Twenty-third Year

of the Republic of India as follows:—

1. *Short title.*—This Act may be called the Cantonments (Extension of Rent Control Laws) Amendment Act, 1972.

2. *Amendment of section 1.*—In the Cantonments (Extensions of Rent Control Laws) Act, 1957 (66 of 1957), (hereinafter referred to as the principal Act), section 1 shall be re-numbered as sub-section (1) thereof, and after sub-section (1), as so re-numbered, the following sub-section shall be inserted, namely:—

"(2) It shall be deemed to have come into force on the 26th day of January, 1950."

3. *Amendment of section 3.*—Section 3 of the principal Act shall be re-numbered as sub-section (1) thereof, and—

(i) in sub-section (1), as so re-numbered, the words "on the date of the notification" shall be, and shall be deemed always to have been, omitted;

(ii) after sub-section (1), as so re-numbered, the following sub-sections shall be, and shall be deemed always to have been, inserted, namely:—

"(2) The extension of any enactment under sub-section (1) may be made from such earlier or future date as the Central Government may think fit:

Provided that no such extension shall be made from a date earlier than—

(a) the commencement of such enactment,

or

(b) the establishment of the cantonment, or

(c) the commencement of this Act,

whichever is later.

(3) Where any enactment in force in any State relating to the control of rent and regulation of house accommodation is extended to a cantonment from a date earlier than the date on which such extension is made (hereafter referred to as the "earlier date") such enactment as in force on such earlier date, shall apply to such cantonment, and, where any such enactment has been amended at any time after the earlier date but before the commencement of the Cantonments (Extension of Rent Control Laws) Amendment Act, 1972, such enactment, as amended, shall apply to the cantonment on and from the date on which the enactment by which such amendment was made came into force.

(4) Where, before the extension to a cantonment of any enactment relating to the control of rent and regulation of house accommodation therein (hereafter referred to as the "Rent Control Act"),—

(i) any decree or order for the regulation of, or for eviction from, any house accommodation in that cantonment, or

(ii) any order in the proceedings for the execution of such decree or order, or

(iii) any order relating to the control of rent or other incident of such house accommodation,

was made by any court, tribunal or other authority in accordance with any law for the control of rent and regulation of house accommodation for the time being in force in the State in which such cantonment is situated, such decree or order shall, on and from the date on which the Rent Control Act is extended to that cantonment, be deemed to have been made under the corresponding provisions of the Rent Control Act, as extended to that cantonment, as if the said Rent Control Act, as so extended, were in force in that cantonment, on the date on which such decree or order was made."

4. *Amendment of section 4.*—Section 4 of the principal Act shall be re-numbered as sub-section (1) thereof, and after sub-section (1), as so re-numbered, the following sub-section shall be inserted, namely :—

“(2) Any law relating to the control of rent and regulation of house accommodation in force in the cantonment of Mhow immediately before the commencement therein of the Madhya Bharat Accommodation Control Act, 1955, Madhya Bharat Act 23 of 1955) shall be, and shall be deemed always to have been, extended to that cantonment under section 3 of that Act with effect from the commencement of such law in that cantonment or from the commencement of this Act, whichever is later :

Provided that no such law shall continue, and shall be deemed to have continued, in force in the cantonment of Mhow on and from the commencement therein of the Madhya Bharat Accommodation Control Act, 1955.

(3) Where, before the extension under sub-section (2) of any law to the cantonment of Mhow,—

- (i) any decree or order for the regulation of, or for eviction from, any house accommodation in that cantonment, or
- (ii) any order in the proceedings for the execution of such decree or order, or
- (iii) any order relating to the control of rent or other incident of such house accommodation.

was made by any court, tribunal or other authority in accordance with any law for the control of rent and regulation of house accommodation for the time being in force in that cantonment, such decree or order shall, on and from the commencement of such law in that cantonment, be deemed to have been made under the corresponding provisions of the first-mentioned Act as if the said Act were in force in that cantonment on the date on which such decree or order was made.”

*Simla-4, the 1st May, 1959*

No. LR. 16-12/58:—The following Acts recently passed by the Parliament of India and already published in the Gazette of India Extraordinary Part II, section I dated 31st March, 7th April, 8th April, 1959 respectively are hereby republished in the Himachal Pradesh Administration Gazette for the information of general Public.

1. The workmens Compensation (Amendment) Act, 1959 (No. 8 of 1959).

Sd/-

*Under Secretary (Judicial).*

Received Assent on 20th March, 1959

THE WORKMEN'S COMPENSATION (AMENDMENT) ACT, 1959

(ACT No. 8 of 1959)

AN

ACT

further to amend the workmen's Compensation Act, 1923

Be it enacted by Parliament in the Tenth Year of the Republic of India as follows:—

1. *Short title and Commencement.*—(1) This Act may be called the Workmen's Compensation (Amendment) Act, 1959.

(2) It shall come into force on such date as Central

Government may, by notification in the Official Gazette, appoint.

2. *Amendment of section 2.*—In section 2 of the Workmen's Compensation Act, 1923 (8 of 1923), (hereinafter referred to as the principal Act), in sub-section (1),—

(i) clause (a) shall be omitted;

(ii) for clause (d), the following clause shall be substituted, namely:—

“(d) “dependant” means any of the following relatives of a deceased workman, namely:—

(i) a widow, a minor legitimate son, and unmarried legitimate daughter, or a widowed mother; and

(ii) if wholly dependent on the earnings of the workman at the time of his death, a son or a daughter who has attained the age of 18 years and who is infirm;

(iii) if wholly or in part dependent on the earnings of the workman at the time of his death.

(a) a widower,

(b) a parent other than a widowed mother,

(c) a minor illegitimate son, an unmarried illegitimate daughter or a daughter legitimate or illegitimate if married and a minor or if widowed and a minor, or if widowed and a minor,

(d) a minor brother or an unmarried sister or a widowed sister if a minor,

(e) a widowed daughter-in-law,

(f) a minor child of a pre-deceased son,

(g) a minor child of a predeceased daughter where no parent of the child is alive, or

(h) a paternal grand parent if no parent of the workman is alive.”;

(iii) after clause (f), the following clause shall be inserted, namely:—

“(ff) “minor” means a person who has not attained the age of 18 years;”;

(iv) in clause (i), the words and figures “under the Medical Act, 1858 (21 and 22 Vict. c. 90) or any Act amending the same, or” shall be omitted.

3. *Amendment of section 3.*—In section 3 of the principal Act,—

(i) in clause (a) of the proviso to sub-section (1), for the word “seven,” the word “three” shall be substituted;

(ii) for sub-sections (2) and (3), the following sub-sections shall be substituted, namely:—

"(2) If a workman employed in any employment specified in Part A of Schedule III contracts any disease specified therein as an occupational disease peculiar to that employment, or if a workman, whilst in the service of an employer in whose service he has been employed for a continuous period of not less than six months (which period shall not include a period of service under any other employer in the same kind of employment) in any employment specified in Part B of Schedule III, contracts any disease specified therein as an occupational disease peculiar to that employment, or if a workman whilst in the service of one or more employers in any employment specified in Part C of Schedule III for such continuous period as the Central Government may specify in respect of each such employment, contracts any disease specified therein as an occupational disease peculiar to that employment, the contracting of the disease shall be deemed to be an injury by accident within the meaning of this section and, unless the contrary is proved, the accident shall be deemed to have arisen out of, and in the course of, the employment.

(2A) If any disease specified in Part C of Schedule III as an occupational disease peculiar to that employment has been contracted by any workman during the continuous period specified under sub-section (2) in respect of that employment and the workman has during such period been employed in such employment under more than one employer, all such employers shall be liable for the payment of compensation under this Act in such proportion as the Commissioner may, in the circumstances, deem just.

(3) The State Government in the case of employments specified in Part A and Part B of Schedule III, and the Central Government in the case of employments specified in Part C of that Schedule, after giving, by notification in the Official Gazette, not less than three months' notice of its intention so to do, may, by like notification, add any description of employment to the employments specified in Schedule III, and shall specify in the case of employments so added the diseases which shall be deemed for the purposes of this section to be occupational diseases peculiar to those employments respectively, and thereupon the provisions of sub-section (2) shall apply within the State or the territories to which this Act extends, as the case may be, as if such diseases had been declared by this Act to be occupational diseases peculiar to those employments."

(iii) in sub-section (4), for the word, brackets and figure "sub-sections (2)", the word, brackets, figures and letter "sub-sections (2), (2A)" shall be substituted.

4. *Amendment of section 4.*—In section 4 of the principal Act, in sub-section (1),—

(i) for clause (a) and (b), the following clauses shall be substituted, namely:—

"(a) Where death results from the injury and the deceased workman has been in receipt of monthly wages falling within limits shown in the first column of Schedule IV—the

amount shown against such limits in the second column thereof;

(b) Where permanent total disablement results from the injury and the injured workman has been in receipt of monthly wages falling within limits shown in the first column of Schedule IV—the amount shown against such limits in the third column thereof;"

(ii) for clause (d), the following clause shall be substituted, namely:—

"(d) Where temporary disablement, whether total or partial, results from the injury and the injured workman has been in receipt of monthly wages falling within limits shown in the first column of Schedule IV—a half-monthly payment of the sum shown against such limits in the fourth column thereof, payable on the sixteenth day—

(i) from the date of the disablement, where such disablement lasts for a period of twenty-eight days or more, or

(ii) after the expiry of a waiting period of three days from the date of the disablement, where such disablement lasts for a period of less than twenty-eight days,

and thereafter half-monthly during the disablement or during a period of five years, whichever period is shorter."

(iii) after the proviso, the following *Explanation* shall be inserted, namely:—

*Explanation.*—Any payment or allowance which the workman has received from the employer towards his medical treatment shall not be deemed to be a payment or allowance received by him by way of compensation within the meaning of clause (a) of the proviso."

5. *Insertion of new 4A.*—After section 4 of the principal Act, the following section shall be inserted, namely:—

"4A. *Compensation to be paid when due and penalty for default.*—(1) Compensation under section 4 shall be paid as soon as it falls due.

(2) In cases where the employer does not accept the liability for compensation to the extent claimed, he shall be bound to make provisional payment based on the extent or liability which he accepts and, such payment shall be deposited with the Commissioner or made to the workman, as the case may be, without prejudice to the right of the workman to make any further claim.

(3) Where any employer is in default in paying the compensation due under this Act within one month from the date it fell due, the Commissioner may direct that, in addition to the amount of the arrears, simple interest at the rate of six per cent per annum on the amount due together with, if in the opinion of the Commissioner there is no justification for the delay, a further sum not exceeding fifty per cent of such amount, shall be recovered from the employer by way of penalty."

6. *Amendment of section 5.*—In section 5 of the principal Act, in clause (c), for the words "in other cases" the words, brackets and letter "in other cases [including cases in which it is not possible for want of necessary information to calculate the monthly wages under clause (b)]" shall be substituted.

7. *Amendment of section 8.*—In section 8 of the principal Act, in sub-section (4), for the words "twenty-five rupees", the words "fifty rupees" shall be substituted.



8. *Amendment of section 10.*—In section 10 of the principal Act, in sub-section (1), for the words “one year” wherever they occur, the words “two years” shall be substituted.

9. *Amendment of section 10B.*—In section 10B of the principal Act,—

(i) in sub-section (1), after the word “death” wherever it occurs, the words “or serious bodily injury” shall be inserted; and the following *Explanation* shall be added at the end, namely:—

*Explanation.*—“Serious bodily injury” means an injury which involves, or in all provability will involve, the permanent loss or the use, of or permanent injury to, any limb, or the permanent loss of or injury to the sight or hearing, or the fracture of any limb, or the enforced absence of the injured person from work for a period exceeding twenty days;’

(ii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) Nothing in this section shall apply to factories to which the Employees’ State Insurance Act, 1948 (34 of 1948).

10. *Insertion of new section 14A.*—After section 14 of the principal Act, the following section shall be inserted, namely:—

“14A. *Compensation to be first charge on assets transferred by employer.*—Where an employer transfers his assets before any amount due in respect of any compensation, the liability wherefor accrued before the date of the transfer, has been paid, such amount shall, notwithstanding anything contained in any other law for the time being in force, be a first charge on that part of the assets so transferred as consists of immovable property”.

11. *Amendment of section 15.*—In section 15 of the principal Act, in sub-section (2),—

(a) for the words “six months”, the words “one year” shall be substituted; and

(b) the following provision shall be added at the end, namely:—

“Provided that the Commissioner may entertain any claim to compensation in any case notwithstanding that the claim has not been preferred in due time as provided in this sub-section, if he is satisfied that the failure so to prefer the claim was due to sufficient cause.”

12. *Omission of section 18.*—Section 18 of the principal Act shall be omitted.

13. *Amendment of section 18A.*—In section 18A of the principal Act, in sub-section (1), for the words “one hundred”, the words “five hundred” shall be substituted.

14. *Substitution of new section for section 24.*—For section 24 of the principal Act, the following section shall be substituted, namely:—

“24. *Appearance of parties.*—Any appearance, “application or act required to be made or done by any person before or to a Commissioner (other than an appearance of party which is required for the purpose of his examination as a witness) may be made or done on behalf of such person by a legal practitioner or by an official of an Insurance Company or a registered Trade Union or by an Inspector appointed under sub-section (1) of section 8 of the Factories Act, 1948, (63 of 1948), or under sub-section (1) of section 5 of the Mines Act, 1935 (35 of 1952) or by any other officer specified by the State Government in this behalf, authorised in writing by such person or, with the permission of Commissioner, by any other person so authorised”.

15. *Amendment of section 30.*—In section 30 of the principal Act, after clause (a), the following clause shall be inserted, namely:—

“(aa) an order awarding interest or penalty under section 4A”.

16. *Amendment of section 32.*—In section 32 of the principal Act, in sub-section (2), after clause (n), the following clauses shall be inserted, namely:—

“(o) for prescribing abstracts of this Act and requiring the employers to display notices containing such abstracts;

(p) for prescribing the manner in which diseases specified as occupational diseases may be diagnosed;

(q) for prescribing the manner in which diseases may be certified for any of the ‘purposes of this Act;

(r) for prescribing the manner in which, and the standards by which, incapacity may be assessed”.

16. *Substitution of new Schedule for Schedule 1.*—For Schedule I to the principal Act, the following Schedule shall be substituted, namely:—

### “SCHEDULE I

[See section 2 (1) and 4]

#### LIST OF INJURIES DEEMED TO RESULT IN PERMANENT PARTIAL DISABLEMENT

Sl. No.	Description of injury	Percentage of loss of earning capacity
1	2	3
1.	Loss of both hands or amputation at higher sites	100
2.	Loss of a hand and a foot	100
3.	Double amputation through leg or thigh, or amputation through leg or thigh on one side and loss of other foot	100
4.	Loss of sight to such an extent as to render the claimant unable to perform any work for which eye sight is essential	100
5.	Very severe facial disfigurement	100
6.	Absolute deafness.	100
<i>Amputation cases—upper limbs (either arm)</i>		
7.	Amputation through shoulder joint	90
8.	Amputation below shoulder with stump less than 8" from tip of acromion	80
9.	Amputation from 8" from tip of acromion to less than 4½" below tip of olecranon	70
10.	Loss of a hand or of the thumb and four fingers of one hand or amputation from 4½" below tip of olecranon	60
11.	Loss of thumb	30
12.	Loss of thumb and its metacarpal bone	40
13.	Loss of four fingers of one hand	50
14.	Loss of three fingers of one hand	30
15.	Loss of two fingers of one hand	20
16.	Loss of terminal phalanx of thumb	20
<i>Amputation cases—lower limbs</i>		
17.	Amputation of both feet resulting in end bearing stumps	90

1	2	3	1	2	3
18	Amputation through both feet proximal to the metatarso-phalangeal joint ..	80	49	Two toes of one foot, excluding great toe Through metatarso-phalangeal joint ..	5
19	Loss of all toes of both feet through the metatarso-phalangeal joint ..	40	50	Part, with some loss of bone ..	2
20	Loss of all toes of both feet proximal inter-phalangeal joint ..	30		Three toes of one foot, excluding great toe	
21	Loss of all toes of both feet distal to the proximal-inter-phalangeal joint ..	20	51	Through metatarso-phalangeal joint ..	6
22	Amputation at hip ..	90	52	Part, with some loss of bone ..	3
23	Amputation below hip with stump not exceeding 5" in length measured from tip of great trochanter ..	80		Four toes of one foot, excluding great toe	
24	Amputation below hip with stump exceeding 5" in length measured from tip of great trochanter but not beyond middle thigh ..	70	53	Through metatarso-phalangeal joint ..	9
25	Amputation below middle thigh to 3-1/2" below knee ..	60	54	Part, with some loss of bone ..	3"
26	Amputation below knee with stump exceeding 3-1/2" but not exceeding 5" ..	50		18. Amendment of Schedule II.—In Schedule II to the principal Act,—	
27	Amputation below knee with stump exceeding 5" ..	40		(i) for clauses (i) to (ix), the following clauses shall be substituted, namely:—	
28	Amputation of one foot resulting in end-bearing ..	30		"(i) employed, otherwise than in a clerical capacity or on a railway, in connection with the operation or maintenance of a lift or a vehicle propelled by steam or other mechanical power or by electricity or in connection with the loading or unloading of any such vehicle; or	
29	Amputation through one foot proximal to the metatarso-phalangeal joint ..	30		(ii) employed, otherwise than in a clerical capacity, in any premises wherein or within the precincts whereof a manufacturing process as defined in clause (k) of section 2 of the Factories Act, 1948 (63 of 1948), is being carried on, or in any kind of work whatsoever incidental to or connected with any such manufacturing process or with the article made, and steam, water or other mechanical power or electrical power is used; or	
30	Loss of all toes of one foot through the metatarso-phalangeal joint ..	20		(iii) employed for the purpose of making, altering, repairing, ornamenting, finishing or otherwise adapting for use, transport or sale any article or part of an article in any premises wherein or within the precincts whereof twenty or more persons are so employed; or	
31	Loss of one eye, without complications, the other being normal ..	40		(iv) employed in the manufacture or handling of explosives in connection with the employer's trade or business; or	
32	Loss of vision of one eye, without complications or disfigurement of eye-ball, the other being normal ..	30		(v) employed, in any mine as defined in clause (j) of section 2 of the Mines Act, 1952, in any mining operation or in any kind of work, other than clerical work, incidental to or connected with any mining operation or with the mineral obtained, or in any kind of work whatsoever below ground; or	
	Loss of—			(vi) employed as the master or as a seaman of—	
	A.—Fingers of right or left hand Index finger			(a) any ship which is propelled wholly or in part by steam or other mechanical power or by electricity or which is towed or intended to be towed by a ship so propelled; or	
33	Whole ..	14		(b) any ship not included in sub-clause (a), of twenty-five tons net tonnage or over, or	
34	Two phalanges ..	11		(c) any sea-going ship not included in sub-clause (a) or sub-clause (b) provided with sufficient area for navigation under sails alone; or	
35	One phalanx ..	9		(vii) employed for the purpose of—	
36	Guillotine amputation of tip without loss of bone ..	5		(a) loading, unloading, fuelling, constructing, repairing, demolishing, cleaning or painting any ship of which he is not the master or a member of the crew, or handling or	
	Middle finger				
37	Whole ..	12			
38	Two phalanges ..	9			
39	One phalanx ..	7			
40	Guillotine amputation of tip without loss of bone ..	4			
	Ring or little finger				
1	Whole ..	7			
2	Two phalanges ..	6			
3	One phalanx ..	5			
4	Guillotine amputation of tip without loss of bone ..	2			
	B.—Toes of right or left foot				
	Great toe				
	Through metatarso phalangeal joint ..	14			
	Part, with some loss of bone ..	3			
	Any other toe				
	Through metatarso phalangeal joint ..	3			
	Part, with some loss of bone ..	1			

transport within the limits of any port subject to the Indian Ports Act, 1908, (15 of 1908) of goods which have been discharged from or are to be loaded into any vessel; or

- (b) warping a ship through the lock; or
- (c) mooring and unmooring ships at harbour wall berths or in pier; or
- (d) removing or replacing dry dock caissons when vessels are entering or leaving dry docks; or
- (e) the docking or undocking of any vessel during an emergency; or
- (f) preparing splicing coir springs and check wires, painting depth marks on lock-sides, removing or replacing fenders whenever necessary, landing of gangways, maintaining life buoy upto standard or any other maintenance work of a like nature; or
- (g) any work on jolly-boats for bringing a ships' line to the wharf; or
- (viii) employed in the construction, maintenance, repair or demolition of—
  - (a) any building which is designed to be or is or has been more than one storey in height above the ground or twelve feet or more from the ground level to the apex of the roof; or
  - (b) any dam or embankment which is twelve feet or more in height from its lowest to its highest point; or
  - (c) any road, bridge, tunnel or canal; or
  - (d) any wharf, quay, sea-wall or other marine work including any moorings of ships; or
- (ix) employed in setting up, maintaining, repairing or taking down any telegraph or telephone line or post or any overhead electric line or cable or post or standard or fittings and fixtures for the same; or;
- (ii) in clause (xiii), after the words "Railway Mail Service", the words "or as a telegraphist or as a postal or railway signaller" shall be inserted;
- (iii) in clause (xvi), for the words "fifty" and "twenty", the words "twenty-five" and "twelve" shall respectively be substituted.
- (iv) in clause (xxvi), for the word "one hundred", the word "fifty" shall be substituted;
- (v) in clause (xxvii), the word "or" shall be inserted at the end, and after that clause, the following clauses shall be inserted, namely:—
  - "(xxviii) employed on or in connection with the construction, erection, dismantling, operation or maintenance of an aircraft as defined in section 2 of the Indian Aircraft Act, 1934 (22 of 1934); or
  - (xxix) employed in farming by tractor or other contrivances driven by steam or other mechanical power or by electricity; or
  - (xxx) employed, otherwise than in a clerical capacity, in the construction, working, repair or maintenance of a tube-well; or
  - (xxxi) employed in the maintenance, repair or renewal of electric fittings in any building; or
  - (xxxii) employed in a circus."

19. Amendment of schedule III.—In Schedule III to the principal Act,—

- (i) for Part B, the following Part shall be substituted, namely:—

#### "PART B"

Poisoning by lead, its alloys Any process involving the

or compounds or its sequelae excluding poisoning by lead tetra-ethyl).

Poisoning by phosphorus or its compounds, or its sequelae.

Poisoning by mercury, its amalgams and compounds, or its, sequelae.

Poisoning by benzene, or its homologues, their amido and nitroderivatives or its sequelae.

Chrome ulceration or its sequelae.

Poisoning by arsenic or its compounds, or its sequelae.

Pathological manifestations due to—

- (a) radium and other radio-active substances;

- (b) X-rays.

Primary epitheliomatous cancer of the skin.

Poisoning by halogenated hydrocarbons of the aliphatic series and their halogen derivatives.

Poisoning by carbon disulphide or in sequelae.

Occupational cataract due to infra-red radiations.

handling or use of lead or any of its preparations or compounds except lead tetra-ethyl.

Any process involving the use of phosphorus or its preparations or compounds.

Any process involving the use of mercury or its preparations or compounds.

Any process involving the manufacture, distillation, or use of benzene, benzol, benzene homologues and amido and nitroderivatives.

Any process involving the use of chromic acid or bichromate of ammonium potassium or sodium, or their preparations.

Any process involving production, liberation or utilisation of arsenic or its compounds.

Any process involving exposure to the action of radium, radio-active substances, or X-ray

Any process involving the handling or use of tar pitch, bitumen, mineral oil, paraffin, or the compounds, product or residues of the substances.

Any process involving the manufacture, distillation and use of hydrocarbons of the aliphatic series and the halogen derivatives.

Any employment in—
 

- (a) the manufacture of carbon disulphide or
- (b) the manufacture of artificial silk by the viscose process; or
- (c) rubber industry;
- (d) any other industry involving the production or use of products containing carbon disulphide exposure to emanations from carbon disulphide.

Any manufacturing process involving exposure to glare from hot material or to other sources of infra-red radiations.

Telegraphist's Cramp.	Any employment involving the use of telegraphic instruments.”;	Asbestosis	Any employment in— (1) the production of— (i) fibro cement materials; or (ii) asbestos mill board; or (2) the processing of ores containing asbestos.
(ii) after Part B, the following Part shall be inserted, namely:—			
“PART C		Bagassosis	Any employment in the production of bagasse mill board or other articles from bagasse.”
Silicosis	Any employment involving exposure to the inhalation of dust containing silica.		
Coal Miners' Pneumoconiosis	Any employment in coal mining.		

20. Amendment of Schedule IV.—In Schedule IV to the principal Act, the words “of Adult” wherever they occur, shall be omitted.

७—भारतीय निर्वाचन आयोग (Election Commission of India) की वैधानिक अधिसूचनाएं  
तथा अन्य निर्वाचन सम्बन्धी अधिसूचनाएं

शून्य

अनुपूरक

शून्य

PART I

AGRICULTURE DEPARTMENT  
NOTIFICATION

Simla-2, the 21st February, 1973

No. 38-28/70-Agr. (Sectt).—Whereas it appears to the Governor, Himachal Pradesh that land is likely to be acquired to be taken by the Himachal Pradesh Government at the public expense for public purpose, namely for the office-cum-residential buildings and Agricultural farms at Bhangrotu, village Dadoh, Illaqa Balh, Tehsil Sadar, District Mandi, it is hereby notified that land in the locality described below is likely to be acquired for the above purpose.

This notification is made under the provisions of Section 4 of Land Acquisition Act, 1894, to all whom it may concern.

In exercise of the powers conferred by the aforesaid Section the Governor, Himachal Pradesh is pleased to authorise the officers for the time being engaged in the undertaking with their servants and workmen to enter on and survey the land in the locality and do all other acts required for permitting by that section.

Any person interested, who has any objection to the acquisition of the said land in the locality may, within thirty days of the publication of this notification, file an objection in writing before the Land Acquisition Collector, Mandi district, Mandi, Himachal Pradesh.

SPECIFICATION

District: MANDI

Tehsil: SADAR

Sl. No.	Age	Khasra Nos.	Area.	Bighas.	Biswas.	Biswansis.
		2		3	4	5
1	DOH	1048/1	0	4	16	
2		1053/7	0	3	6	

1	2	3	4	5
	1054/7	2	6	16
	1055/7	0	3	3
	1055/1	0	1	10
	1052/1	0	19	12
	1053/1	0	1	7
	1054/1	1	0	4
	1039/2	5	5	15
	1040/3	0	10	0
	1060/1	0	2	10
	1063/4	0	2	14
	1063/6	0	2	2
	1064/13	1	1	16
	1065/11	0	7	10
	1066/2	2	19	10
	1067/1	0	3	6
	1069/18	0	8	14
	1064/8	1	14	19
	1065/8	0	1	13
	1069/8	0	7	0
	1064/6	2	0	6
	1065/6	0	3	6
	1069/6	5	1	3
	1064/2	3	7	12
	1065/2	0	1	14
	1069/2	1	17	4
	1070	0	4	16

TOTAL ... 31 4 4

By order,  
GANGESH MISHRA,  
Secretary.

नियन्त्रक, मुद्रण तथा लेखन सामग्री, हिमाचल प्रदेश, शिमला-3 द्वारा मुद्रित तथा प्रकाशित।